

day July 2 1977

0.045

fifteen pence

THE TIMES

Saturday Review:
The diplomatic
career of Rubens

Jenkins attack on 'Labour's anti-EEC false democrats'

International interest may be damaged by left-wingers who are seeking to persuade Labour to sign against Britain's membership of the EEC, said yesterday. In what our Political correspondent describes as a thinly veiled attack on Mr Wedgwood Benn and Mr Foot, he bed the party's anti-Marketecers as false democrats and "populists without the support people".

Britain's interests may be damaged

Mr. Jenkins, the EEC Commissioner, said yesterday. In what our Political correspondent describes as a thinly veiled attack on Mr Wedgwood Benn and Mr Foot, he bed the party's anti-Marketecers as false democrats and "populists without the support people".

Dutch fishing fleet pulls out after boat's arrest

The Hague, July 1.—Dutch fishing boat owners today decided to withdraw their fleet from British North Sea waters after their Government warned them that it would not support their defiance of a British ban on herring fishing.

The decision was announced by the company which owns the trawler Johanna, arrested early today in British waters and escorted by the Royal Navy to Lerwick harbour, Shetland. Its skipper was charged and will appear in court again on Wednesday.

The Rotterdam fishing company said the boat owners agreed to withdraw about 40 trawlers from British waters after talks with the Government. The Johanna and the other Dutch trawlers were defying the British ban on herring fishing, which came into effect today.

Mr. Alphonse van der Stee, the Dutch Agriculture Minister, told the trawler owners today that the ban was legally justified because of the EEC's failure to reach a decision on fisheries quotas.

Mr. Joop den Uyl, the Prime Minister, speaking after a weekly Cabinet meeting, said the British attitude over the herring question was none the less a resumption among its EEC partners. "The British position gives cause for concern," he said.



Queen of Wimbledon: To the delight of a record crowd Miss Virginia Wade became the ladies' singles champion at Wimbledon yesterday (Alan Hamilton writes). The fact that a British woman took the title in silver jubilee year, which is also Wimbledon's centenary year thrilled the crowd. Only two British women have won the title since the war and it was Miss Wade's sixteenth attempt to get it. Miss Wade, who is 31, defeated Miss Betty Stove of Holland 4-6, 6-3, 6-1 in a game that lasted the 38th min. Miss Wade, who started playing tennis full-time in 1967, is pictured with the trophy being congratulated by Miss Stove. Looking on are the Queen, who presented Miss Wade with the trophy, Air Chief Marshal Sir Brian Burnett, chairman of the All-England Lawn Tennis and Croquet Club, and the Duke of Kent. Some of the cheering spectators had been queuing for days to get into the Centre Court. One young woman, Miss Marion Davis, aged 23, had been queuing since Monday morning. The first 140 people in the queue had the chance to buy a £4.40 stand ticket. Ticket mums, whose activities make it hard on those who have queued, were thin on the ground but unconfirmed reports said tickets for the match were changing hands for between £150 and £200. Tennis reports, page 20

Lord Ryder resigns as chairman of National Enterprise Board

By Malcolm Brown. Lord Ryder, chairman of the National Enterprise Board, has resigned and will leave the board on August 1. His successor is to be Mr Leslie Murphy, the deputy chairman.

Lord Ryder is 60 and has been chairman for 19 months. Prior to that he was chairman of the board's organizing committee. The indications yesterday were that he was not, for the moment at least, seeking any new employment in private or public life.

Mr. Varley, announcing the resignation, said that he did so with regret. In a letter to Lord Ryder he said that the Government owed him a considerable debt for the way in which he had established the NEB.

Lord Ryder is suing Mr David English, editor of the Daily Mail, and its proprietors, for defamation. In his letter of resignation he notes that after discussion with the Prime Minister and Mr Varley on May 25 he had agreed to defer the date of his departure "to allow adequate time for the appointment of my successor and an orderly hand-over".

No explicit reference is made to the Leyland affair, but the matter must have loomed large during the discussion. It is ironic for a man who started his working life as a journalist and who at the end of a remarkably successful career in private industry was chairman of the Reed group which by then was in control of the Mirror group of newspapers, that his brief career in public life should have been made perceptibly uncomfortable by the Leyland bribery allegations.

In January, 1976, newspapers disclosed that Lord Ryder had been involved in what became known as the Bewbush affair. This involved allegations about a highly-profitable land deal some years earlier involving the Reed Pension Fund.

Lord Ryder is suing Mr David English, editor of the Daily Mail, and its proprietors, for defamation. In his letter of resignation he notes that after discussion with the Prime Minister and Mr Varley on May 25 he had agreed to defer the date of his departure "to allow adequate time for the appointment of my successor and an orderly hand-over".

No explicit reference is made to the Leyland affair, but the matter must have loomed large during the discussion. It is ironic for a man who started his working life as a journalist and who at the end of a remarkably successful career in private industry was chairman of the Reed group which by then was in control of the Mirror group of newspapers, that his brief career in public life should have been made perceptibly uncomfortable by the Leyland bribery allegations.

In January, 1976, newspapers disclosed that Lord Ryder had been involved in what became known as the Bewbush affair. This involved allegations about a highly-profitable land deal some years earlier involving the Reed Pension Fund.

Rhodesia tourist hotel attacked with mortars

Salisbury, July 1.—Black nationalist guerrillas, in one of their most dramatic attacks so far, have attacked with mortars Rhodesia's newest and most luxurious tourist hotel.

A military communiqué today said last night's 30-minute bombardment of the Elephant Hills Hotel and country club near Victoria Falls, caused no damage or casualties.

Judge scorns skid test for speed

Thousands of motorists may have been wrongly convicted because of a police method of gauging a car's speed by measuring its skid marks, Judge Ellison said at Kingston Crown Court yesterday.

Apex decides mass picket will continue at Grunwick plant

By Peter Godfrey. Mass picketing at the Grunwick photographic works is to continue during the strike of the Government's court of inquiry into the dispute there, the executive council of the Association of Professional, Executive, Clerical and Computer Staff (Apex) decided last night.

The union decided to review its undertaking to scale down picketing during the inquiry after renewed violence earlier in the day, which led to 12 arrests and new allegations of police provocation.

Whitehall draft presents Government with fresh public spending challenge

By Blake. Correspondent. Draft officials have just drafted a document setting out spending plans for the next five years and pre-announced growth in public expenditure of 2 per cent in real terms from 1978 onwards.

The new programme, drawn up by civil servants, seems to take the cuts imposed under the terms of the International Monetary Fund loan negotiated last December and to extrapolate from them. The last published estimates of public spending released earlier this year gave detailed estimates of spending only until the financial year 1978-79.

Mr Jones wants normal bargaining

Mr Jack Jones called for a return to normal collective bargaining, but emphasized that "devil-take-the-hindmost" attitudes would be impermissible. Settlements due under phase two should not be postponed until August. Government action was needed on prices, unemployment, investment, imports and the plight of the elderly and the low paid.

Possible curb on right to strike

The TUC is to be asked by Mr Justice Parker, inspector of the Windscale inquiry, to give a view on the possible restriction of the right to strike in the nuclear power industry, in view of the threat to public safety that might be caused by stoppages.

Beaverbrook cleared

The Trafalgar House takeover of Beaverbrook Newspapers was formally cleared yesterday by the City Takeover Panel. The Panel was deciding on whether the disparity in the offer price between the voting and non-voting shares contravened its rules.

Ghana promise

The Ghana military regime has promised a referendum within nine months on the question of a return to civilian government.

Williams eats on pool choice

Williams denied that she intended duce any element of parental pressure on schools specializing in subjects as sciences or languages at 11th-form level. She said she had to give parents any other right than that based on demagoguery.

form 'settled'

It Giscard d'Estaing signed with ceremony today the French law on elections to the European Parliament. In a television speech he said the EEC structure was settled.

Warns Mr Smith

Mr. Smith, the Secretary of State, pledged American involvement in Africa, warned Salisbury and that they must choose now peaceful or violent change.

British Limbless Ex-Service Men's Association

Donations and Major The Earl of Ancaster, KCVO, TD., Midland Bank Limited, 60 West Smithfield, London EC2A 9DX.

WE, THE LIMBLESS, LOOK TO YOU FOR HELP

We come from both world wars. We come from Kenya, Malaya, Aden, Cyprus... and from Ulster. From keeping the peace no less than from war we limbless look to you for help.

And you can help, by helping our Association. BLESMA (the British Limbless Ex-Service Men's Association) looks after the limbless from all the Services. It helps, with advice and encouragement, to overcome the shock of losing arms, or legs or an eye. It sees that red-tape does not stand in the way of the right entitlement to pension. And, for the severely handicapped and the elderly, it provides Residential Homes where they can live in peace and dignity.

Help BLESMA, please. We need money desperately. And, we promise you, not a penny of it will be wasted.

British Limbless Ex-Service Men's Association

Donations and Major The Earl of Ancaster, KCVO, TD., Midland Bank Limited, 60 West Smithfield, London EC2A 9DX.

HOME NEWS

Mrs Williams denies intention to give parents a free choice

From Diana Geddes, Education Correspondent, Loughborough

Mrs Williams, Secretary of State for Education and Science, denied yesterday that she intended to introduce into a fully comprehensive education system any element of parental choice between schools specializing in such subjects as sciences or languages below sixth-form level.

The Times, on Thursday, printed an extract of a letter from Mrs Williams to Mr Healey, Chancellor of the Exchequer, dated March 2, 1977, in which she said: "I know that at present many authorities with comprehensive systems in operation are able to allow parents to select the schools they wish their children to attend, whether county schools, voluntary schools, denominational, single sex, or mixed schools, and I hope in future as some schools begin to specialize in particular subjects such as sciences and languages, that parents will begin to be allowed to choose schools for their children to attend on this basis."

Speaking after a meeting of the annual conference of the Society of Education Officers in Loughborough yesterday, Mrs Williams said it was not her wish to see any specialization of schools in subjects for pupils under 16, nor to give any right of selection to parents other than on such grounds as the denomination of the school and whether it was single sex or mixed.

Her letter to Mr Healey was "not as clear as it should be", she said, adding: "I would not have signed that letter without, in her address to the conference, Mrs Williams said she

First-past-the-post system likely in EEC poll Bill

By Our Political Correspondent

It was confirmed in government quarters yesterday that the Commons will be able to vote on the European Parliament polling system before the summer recess.

The Bill authorizing the elections is expected to receive a second reading at the end of a two-day debate in the Commons on Thursday, although the Conservatives have strong reservations about its structure.

But an urgent decision is needed on the method of election. That is why the Government is prepared to provide a day before the recess for a debate on clause 1 in committee, when those who want the elections to be on a first-past-the-post system can move an amendment which effectively removes the regional list, proportional representation, system from the Bill.

Judging by the comments of backbenchers in the Government and Opposition sides of the House, there will be a majority for a first-past-the-post system, and urgent measures would be taken to refine the 81 United Kingdom Euroconstituencies to be used in the elections to be held next year.

Prime Minister angry with anti-Europe MPs

Continued from page 1

"They claim to have trembled before the voice of the British people, but in fact they have merely trimmed to suit it", he said.

"There is no major line of policy on which one can ever set out without knowing that it involves a passage through rough water."

"Those who now cry 'back!' would by similar fluctuating advice have frustrated everything worthwhile which this nation has ever done."

There is good evidence that Mr Callaghan is becoming angry with the anti-Europeans in the Labour Party who are attempting to reopen old controversies.

When he addresses the Labour Party of Wales in Aberystwyth today he is likely to appeal to the party to reject the strenuous opposition to the anti-Europe line would win Labour the next election.

An important speech is promised by Mr Callaghan, the future of the Labour-Liberal pact, the next day of income policy, the probability of a referendum, spring, and legislation on industrial democracy are all likely to be covered by the Prime Minister. Labour backbenchers believe that it may be possible to get a reprieve from the timing of the next election.

Speech criticized: Mr Ronald Thomas, chairman of the Tribune group of MPs which has called for Britain's withdrawal from the EEC, said yesterday: "I am appalled that Mr Jenkins should now try to lecture the British Government" (The Press Association reports).

Mr Jenkins had been quite prepared to desert that Government.

He was paid "an incredibly high salary" by a Community that had been an unmitigated disaster for the British people.

Mr Bryan Gould, chairman of the Safeguard Britain Campaign, and Labour MP for Southampton, Test, said: "It is not a lack of faith, but the harsh realities of the Common Market system which have caused so much damage to this country."

Leading article, page 13

Talks on death inquiry

Mr Rees, Home Secretary, has agreed to meet an action committee campaigning for an inquiry into the death of Mr Liddle Towers, the amateur boxing coach.

Men in the news: A change of guard at the National Enterprise Board

Lord Ryder, a man who tackled the almost impossible

By Maurice Corina, Industrial Editor

The premature retirement of Lord Ryder of Eaton Hastings comes as no surprise to those around the man who, two years ago, accepted an invitation from Mr Wedgwood Benn, who was then Secretary of State for Industry, to take on the task of creating the National Enterprise Board (NEB). He is a solitary man, who looks away in conversation and picks his words with care.

He has for some months been sitting in his office in Victoria, London, feeling a very real concern that his feat in creating in such a short time one of the biggest conglomerates in Britain still goes unrecognized by press and television commentators. There has been one difficulty after another, and it is whispered that his most recent feat has been the financial burdens of British Leyland's rescue will swallow too much of the board's resources, at some cost to his grand plans for other things.

The board's future now passes into the care of his deputy, Mr Leslie Murphy, a former



Lord Ryder (left), with Mr Murphy his successor.

word on the car giant's reorganization. With just a small graft, a Daimler and a small pile of statutes and ministerial guide-

Irish ban family plan bo overrule

A challenge to the 150-bulletin on family planning, succeeded in Court in Dublin yesterday.

Mr Justice Liam O'Flaherty overruled an official ban on the way for similar lift censorship from of other works, less said afterwards.

A Dublin governor said, however, that the ban would affect the C Board's functions.

The judge, who is three-week stay of his ruling, said last night on the family publication by the 1 sorship Board would, because the author, who alleged that the ban was irregular and tutorial.

He did not rule, for precedent, on the ban on the family, but gave another judgment similar case later this year. Since then books and 992 periodicals have been included in international writers. 2,700 books are on the list.

Mr Jones wants quick return to bargaining

By Christopher Thomas, Labour Reporter

Mr Jack Jones, general secretary of the Transport and General Workers' Union, yesterday made his strongest call so far for a speedy return to normal collective bargaining.

In a speech to the union's vehicle-building and automotive conference in the Isle of Man, he did not once mention the possibility of a new pay award, but said that the Government, but he made clear that, with the TUC, he is determined that the present £2.50 to £4 policy should not be breached.

The IGWU, which has 190,000 members, will decide at its conference next week whether to support a new pay deal. "It is imperative that we get back to normal collective bargaining very soon so that we can deal effectively with the problems besetting our members," Mr Jones said.

He added: "No one in the trade union movement can afford any illusions about our situation in the foreseeable future. The context for collective bargaining is going to remain difficult. Unemployment and inflation are far from being overcome, and we must permit any irresponsible 'devil take the hindmost' attitudes."

"All our members, shop stewards and officers are going to be faced with considerable problems in collective bargaining. That is why we must start the preparations quickly."

To press for a return to normal collective bargaining was not an attack on the Government, nor an about-turn policy. "It is now accepted," he continued, "that vital problems of industry require a

Wages pact 'vital to nation'

By Our Political Correspondent

Guidelines for negotiations between the TUC and the Government on the next phase of incomes policy were indicated last night by Mr Hattersley, Secretary of State for Prices and Consumer Protection, when he spoke at Oxford University Summer Business School yesterday.

He said another agreement was vital, not least because of the protection it would offer to the living standards of working people and their families.

"From next year there ought to be real and consistent improvements in living standards, but that cannot happen if a sudden surge of massive wage increases is followed by accelerating inflation," Mr Hattersley said.

That situation would lead to loss of confidence at home and abroad, to further pressure on the pound, and to further rises in unemployment.

Improvements in living standards would come only if moderate wage increases were matched by a constantly reducing rate of inflation.

He said it was reasonable for union conferences being held next week and the TUC annual conference in September to negotiate a new wage agreement, "because that is in the best interests of their members."

"Yet, not surprisingly, rank and file members are sceptical about the economic formula we offer. Moderation now, producing benefits in six months' time, is a wholly accurate economic prescription."

Miners set to deliver blow to pay restraint

From Paul Routledge, Labour Editor, Tynewymouth

The miners' leaders are set to deliver a punishing criticism of the Government's economic strategy. But they are prepared to observe current TUC policy on wage restraint provided that other workers do.

What is certain is that any resulting claim will sound the decision freed miners to seek increases from August 1, and that the complex political horse-trading on just what pay policy the miners are to adopt would not be resolved until the NUM executive met again on the eve of next Tuesday's wage debate.

What is certain is that any resulting claim will sound the decision freed miners to seek increases from August 1, and that the complex political horse-trading on just what pay policy the miners are to adopt would not be resolved until the NUM executive met again on the eve of next Tuesday's wage debate.

The executive of the National Union of Mineworkers (NUM) meeting in pre-conference session at Tynewymouth yesterday, decided to support the strong opposition to the social contract coming from militant and moderate coalfields, as a gesture of dissatisfaction with the Cabinet's record on inflation and unemployment. That expression of disillusionment with the special relationship between the TUC and the Government from a body representing 250,000 TUC votes, will come as a damaging propaganda blow to the ministers concerned.

Mr Joseph Gormley, president of the NUM, said after the executive meeting, however, that the miners would stick to the TUC's 12-month rule, which forbids more than one pay rise a year unless other groups of workers ignored that rule.

He argued that pit men had voted in a secret ballot for phase two in the knowledge that their settlement under the rules of the incomes policy would have to last them until March 1978. "I hope the 12-month rule will stick. We gave our word on that. We hope all other unions observe it; but if they do not, they will not be the only ones crossing the line."

Mr Arthur Scargill, left-wing president of the Yorkshire miners, had a different interpretation of the executive decision to oppose the social

Big demand by smokers for the new cigarettes

By Patricia Tisdall and John Roper

Manufacturers of the new cigarettes containing substitute tobacco strove yesterday to keep pace with demand from smokers. Callaghan, who is responsible for three of the 11 new brands, said that 35 tobacco companies in the Manchester area had agreed to produce an hour's stock sufficient for two or three days. But the manufacturers expect sales to dwindle once the novelty has worn off.

There is growing unease from health authorities about the extensive publicity for the new material, which is being marketed by Mr Michael Daube, director of Action on Smoking and Health (ASH) and others, is that it could encourage people about to give up the habit to carry on smoking.

The Department of Health and Ash have emphasized that the material of tobacco substitutes did not mean that smoking was now any safer.

One of the key roles of the substitute material, researched and developed at a cost of more than £40m, is to reduce tar. The difficulty is that sufficient quantities of it cannot yet be used in cigarettes to give appreciable reductions in tar yields and still appeal to smokers.

Mr Robert Hunter, chairman of the Independent Scientific

Dr FitzGerald takes over Fine Gael leadership

From Our Correspondent, Dublin

Dr Garret FitzGerald was unanimously elected yesterday leader of the Fine Gael Party in succession to the former Prime Minister, Mr Liam Cosgrave.

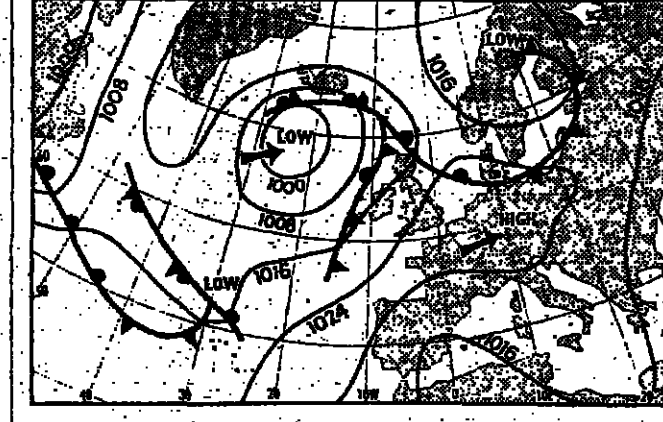
The parliamentary group of the Labour Party selected Mr Frank Cluskey as its new leader in succession to Mr Brendan Corish after a tied vote with Mr Michael O'Leary.

Dr FitzGerald, who is 51, had been Minister for Foreign Affairs in the Coalition Government. Mr Cluskey, aged 47, was Parliamentary Secretary to the Minister for Social Welfare.

The Government of Mr Cosgrave met for the last time yesterday. On Tuesday, when the new Dail meets, Mr Jack Lynch and his Fianna Fail Party will take over 20 in the House, will take over.

Christopher Walker writes: Dr FitzGerald is in most respects the complete opposite of his predecessor as head of the Fine Gael Party. Where Mr Cosgrave was shy, reserved as a public speaker, and unshakably conservative, Dr FitzGerald is universally regarded in Dublin as one of the most articulate, amiable, and intellectually brilliant men in Irish politics.

Weather forecast and recordings



Today	Sun rises: 4.48 am	Sun sets: 9.21 pm	Moon sets: 6.40 am	Moon rises: 9.58 pm
Last quarter: July 8.	Lightning up: 9.51 pm to 4.19 am.	Lightning down: 3.13 am to 7.20 am (23.77°).	3.36 pm, 7.00 am (23.01°).	Avonmouth, 8.54 am, 13.50 am (44.31°); 9.14 pm, 13.50 am (45.81°).
7 am, 12.13 pm, 6.27 pm (22.01°); 12.30 pm, 6.50 am (22.41°); 7.06 am, 7.50 am (24.61°); 12.30 pm, 9.41 am (31.91°); 12.36 pm, 9.41 am (31.01°).				

At the resorts

24 hours to 6 pm, July 1	Max	Min	Wind	Sea
COAST				
Southwest	12.0	10.0	12.0	10.0
West	11.0	9.0	11.0	9.0
Northwest	10.0	8.0	10.0	8.0
COAST				
South	11.0	9.0	11.0	9.0
East	10.0	8.0	10.0	8.0
North	9.0	7.0	9.0	7.0

Right to strike in nuclear plants questioned

From Pearce Wright, Science Editor, Whitehaven

An invitation to the TUC to discuss the prospect of withdrawing the right to strike in the nuclear power industry, because of the unusual conditions affecting public safety in that field, has been made by Mr Justice Parker, the inspector of the public inquiry into plans to build a new 660m nuclear fuel reprocessing factory at Windscale, Cumbria.

He made his request known before adjournment of the inquiry yesterday, in a statement in which he addressed to opponents of the expansion of nuclear power a formidable list of questions on alternative sources of energy.

He said opponents would need to show how, when, to what extent, at what cost, and with what damage to property,

people and the environment, alternative sources of energy could fill a predicted energy gap.

The question of the right to strike was raised after evidence presented by Mr L. P. Shawcross, assistant director of British Nuclear Fuels' reprocessing division, on the measures needed to protect against four main hazards: radiation from waste fuel elements; accumulation of flammable material in the chemical process; or in storage, sufficient to cause overheating and explosions; containment of the waste products extracted from the fuel in reprocessing; and fire and explosions.

The inspector asked about safety conditions in a plant left deserted by a strike of or some other reason.

He said: "It is of public importance because one party has raised the proposition that

Weather forecast and recordings

Today	Sun rises: 4.48 am	Sun sets: 9.21 pm	Moon sets: 6.40 am	Moon rises: 9.58 pm
Last quarter: July 8.	Lightning up: 9.51 pm to 4.19 am.	Lightning down: 3.13 am to 7.20 am (23.77°).	3.36 pm, 7.00 am (23.01°).	Avonmouth, 8.54 am, 13.50 am (44.31°); 9.14 pm, 13.50 am (45.81°).
7 am, 12.13 pm, 6.27 pm (22.01°); 12.30 pm, 6.50 am (22.41°); 7.06 am, 7.50 am (24.61°); 12.30 pm, 9.41 am (31.91°); 12.36 pm, 9.41 am (31.01°).				

At the resorts

24 hours to 6 pm, July 1	Max	Min	Wind	Sea
COAST				
Southwest	12.0	10.0	12.0	10.0
West	11.0	9.0	11.0	9.0
Northwest	10.0	8.0	10.0	8.0
COAST				
South	11.0	9.0	11.0	9.0
East	10.0	8.0	10.0	8.0
North	9.0	7.0	9.0	7.0

Proposal

Bank family held hostage by armed man

A deputy bank manager, two children and grandparents were held hostage by an armed man at their home in No Road, Hayling Island, shire, yesterday.

A man with a loaded gun arrived at 7 am and threatened until it was time bank to open. He ordered his wife, Mrs Gordon, to get out and get as much money as possible from the bank. He threatened to kill her if she did not.

Mr Rhodes drove to a bank, Havant, told the man what was happening, a turned with £5,000.

The police sealed off the island. Later a man detained.

UDA man jail for 12 years

Frederick Noel Parls aged 32, a UDA member Belfast, was sentenced to 12 years in prison for a bomb attack on a bus in Dublin yesterday.

Parls was charged with the bombing of a bus in Dublin on April 12, 1976, which killed three people and injured 12 others. He was charged with the bombing of a bus in Dublin on April 12, 1976, which killed three people and injured 12 others.

Weather forecast and recordings

Today	Sun rises: 4.48 am	Sun sets: 9.21 pm	Moon sets: 6.40 am	Moon rises: 9.58 pm
Last quarter: July 8.	Lightning up: 9.51 pm to 4.19 am.	Lightning down: 3.13 am to 7.20 am (23.77°).	3.36 pm, 7.00 am (23.01°).	Avonmouth, 8.54 am, 13.50 am (44.31°); 9.14 pm, 13.50 am (45.81°).
7 am, 12.13 pm, 6.27 pm (22.01°); 12.30 pm, 6.50 am (22.41°); 7.06 am, 7.50 am (24.61°); 12.30 pm, 9.41 am (31.91°); 12.36 pm, 9.41 am (31.01°).				

At the resorts

24 hours to 6 pm, July 1	Max	Min	Wind	Sea
COAST				
Southwest	12.0	10.0	12.0	10.0
West	11.0	9.0	11.0	9.0
Northwest	10.0	8.0	10.0	8.0
COAST				
South	11.0	9.0	11.0	9.0
East	10.0	8.0	10.0	8.0
North	9.0	7.0	9.0	7.0

HOME NEWS

Bus fares rebels may get back subsidy

By Michael Bailey
Transport Correspondent

A about-turn by the Government over the rebel South Yorkshire Metropolitan Council is expected when a delegation from the council meets Mr. Rogers, the Secretary of State for Transport, in London next week.

The strongly socialist council, along with the provincial authorities and in defiance of government policy, has insisted on keeping bus fares low through its subsidies from the rates, and was deprived of nearly £5m government grant as a punishment. But this week's transport White Paper disclosed a shift in government thinking towards subsidizing bus fares. South Yorkshire may be feeling like a woman who's stuck to her old clothes long enough to see them come into fashion again.

The Ministry declined to comment on the new thinking, which makes previous ones, such as Mr. Rogers's invitation, except to say that he would be prepared to listen to the delegation. But it is felt that although nothing can be done about the existing South Yorkshire fare for last year's loss of £5m, it can expect a grant for 1978. Since the 1930s, the council has been in a financial bind, with its 1976 and 1977 income being less than its expenditure.

Bus fares in South Yorkshire are half those elsewhere, and the council has been able to keep them cheap. That costs nearly £20m a year in subsidy or a 5p rate, but bus travel in South Yorkshire is rising at 4 to 5 per cent a year against a background of almost universal decline.

When the Government refused a grant to continue that policy, the council simply deepened into the rates — and was returned with a slightly increased majority in the 1976 election, against the national trend.

Airline bans smoking
The Channel Islands airline, Air France, has banned smoking on all its flights. The ban, which was announced yesterday, will apply to all flights between the islands and the mainland, and to all flights between the islands and the Channel Islands.

A man with a loaded .38 Smith & Wesson revolver, who was arrested yesterday, was charged with possession of a dangerous weapon. The man, who was 32, was arrested at the airport.

UDA man jailed for 12 years
Frederick Norrish, a UDA member, was sentenced to 12 years in prison for the murder of a Catholic priest. The man was 32 and was a member of the UDA.

Police seize drugs
The police seized a large quantity of drugs from a man who was arrested yesterday. The man, who was 32, was arrested at the airport.

Girl died in 'million-to-one' accident leaving school
Karen Potter, aged 11, died in a "million-to-one" accident when she ran into the school gates. The girl was 11 and was a pupil at the school.

Optimism over flight plans during dispute
The Civil Aviation Authority (CAA) said yesterday that it was hopeful that a 24-hour strike by 900 air traffic controllers' assistants would have little effect on passengers' flight plans.

Let children sort surnames issue out, judge says
The difficulty, affecting many schools, of children of broken marriages should be known, came before the Court of Appeal yesterday. Lord Justice Ormrod said children should be allowed to "sort things out themselves and not be worried by nonsensical adult ideas."

Coroner's warning on salt water drinks
A woman who took an overdose of drugs would still be alive if she had not been given salt water on the advice of her doctor, Mr. Francis Haddock, the coroner at East Grinstead, Sussex, said yesterday. He returned a verdict of manslaughter because it is not widely known in the medical profession that salt water treatment makes a patient vomit.

Gas-making plan would earn 250m exports
The Secretary of State for Scotland, Mr. James Douglas, said yesterday that a gas-making plan would earn 250m exports. The plan was for a gas-making plant at Mossburn in Scotland.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.

the resorts
The resorts of the Scottish Highlands are expected to be very busy this summer. The resorts are expected to be very busy this summer.



Louise and her offspring, born at London Zoo last Sunday, the first reindeer born there for many years.

Proposals to cut aircraft noise

By Arthur Reed
Air Correspondent

In reply yesterday to government proposals for reducing noise at night and during the day, the Heathrow, Gatwick and Luton Airports Authority suggested that the noisiest aircraft should be phased out, although residents near Heathrow called for a complete closure of the airport during the hours of darkness.

The authority said that it would be wrong to impose further restrictions on airport operations, in view of "significant improvements" now envisaged in aircraft noise levels.

The Heathrow, Gatwick and Luton Airports Authority said it wanted a closure of Heathrow in two stages, to give the surrounding population

undisturbed sleep, "as a matter of elementary social justice". Night flights probably awoke 500,000 people at least once a night, they claimed.

Both bodies were responding to a consultation document issued in March by the Department of Trade suggesting the eventual closure of Heathrow and Gatwick at night or continuing operations at night, but with a gradual phasing out of noisier aircraft.

The airports authority said yesterday that it opposed the first option because the impact that night closure would have on British trade and travel, and on the civil aviation industry, would be out of all proportion to the benefits.

It was estimated in 1975 by a government working party that night closure would cost the industry between £5m and £10m a year.

Up to 14 per cent of cargo traffic was handled through Heathrow and Gatwick during the restricted night hours, representing £50m of British exports. Night closure would penalize a significant proportion of these exports. There would also be increased demand on airport facilities during the day, so bringing forward the date when maximum capacity at the two airports was reached.

In preferring the Government's second option, the airports authority said they had reservations about it. There should be no quotas or other restrictions at night for quieter aircraft, and the date for phasing out noisy aircraft should be realistic.

Prince's horse runs into planning hurdle

From Our Correspondent
Portsmouth

Plans for a 350ft white horse to be carved out of an acre of turf at Butter Hill, near Portsmouth, are facing difficulties over planning permission.

Prince Michael of Kent and Mr. David Wynne, the sculptor, want to excavate 4,000 tons of topsoil to create a memorial to the war dead.

Prince Michael of Kent and Mr. David Wynne, the sculptor, want to excavate 4,000 tons of topsoil to create a memorial to the war dead.

The "Nature Conservancy" said: "Short grassland turf is a scarce commodity. We would like to consult specialists before deciding whether to support this."

Hampshire Council for the Protection of Rural England meets on Monday to discuss the plan. Wing Commander Keith Knight, a spokesman for the group, said: "My personal view was that it was not so much creative as destructive but on second thoughts I am changing my mind."

New production centre for 'Glasgow Herald'
New developments planned for the Glasgow Herald and Evening Times, employing a total staff of 1,200, would move to the former Beaverbrook building in Albion Street within the next two years. Both papers would be printed on the press presses there, but with the latest technology on the production side.

Scottish and Universal Newspapers, which employs 640 people, would be transferring its senior administrative staff from Mitchell Street to new headquarters on a floor of a building in Bath Street in the city centre, next month.

ITV's case for fourth channel
Yesterday was the last day for the receipt of submissions to the Home Office on the future of broadcasting (Our Arts Reporter writes). More than 2,000 communications have been received. A White Paper is likely in the autumn.

In opposition to the committee's recommendation that a separate authority should run a fourth television channel, the Independent Television Companies Association has restated its case that only independent television can finance the channel and bring it alive in the foreseeable future.

Pleasures of reading
The Sunday Times tomorrow offers a two-page foretaste of the pleasures of summer reading: an enthusiast's guide to some book treasures of the past and a package of this year's best paperback titles. The final extract from Ruth Hall's biography of Marie Stopes explores the extraordinary contrasts between her public and private life.

Laker award: Mr. Freddie Laker
Mr. Freddie Laker, who successfully took the Government to court over the proposed introduction of his cheap-fare Skytrain service to New York, was presented with the Aims for Freedom and Enterprise National Free Enterprise Award yesterday. The Skytrain service is to start in September.

In brief

Newspaper hit by strike to close

The weekly *Wellingborough News Echo*, one of three newspapers at the centre of a recent five-month strike by journalists employed by the East Midlands Allied Press group in Northamptonshire, is to close on July 15, it was announced yesterday.

It has a circulation of 4,500 and lost £70,000 in a financial year ended in April. All editorial and administrative staff are to be redeployed on the group's main publication, the *Northamptonshire Evening Telegraph*.

Woman set fire to husband

Carmen Cottrell, aged 47, mother of four children, who was said to have thrown petrol over her husband and then threw matches at him until he caught light, was sentenced yesterday to life imprisonment.

Mrs. Cottrell, a canteen assistant of Frinton Road, South Tottenham, London, had pleaded not guilty to murdering Leonard Cottrell but guilty to manslaughter because of diminished responsibility.

Neilson appeal plea fails

The Court of Appeal said yesterday that it had no doubt that Donald Neilson murdered Lesley Whittle, the heiress. It dismissed Mr. Neilson's application for leave to appeal against his conviction of murdering the girl.

Lord Justice Geoffrey Lane said: "There is nothing to give us an uneasy feeling that justice has not been done, nothing to cause in our minds a lurking doubt as to the correctness of the jury's decision."

Orphaned at birth

Mrs. Marcia Northington, aged 21, who was injured in a road accident near Middleton, Oxfordshire, on Thursday, died yesterday after giving birth to a baby, a boy, was said to be in a satisfactory condition. Mrs. Northington was the wife of a USAF serviceman.

Liberal withdrawals
Mrs. Penelope Jessel has withdrawn as Liberal parliamentary candidate for Wellingborough because, she says, she finds it too tiring travelling from her home in Oxford to attend party meetings. She contested the seat in 1974, losing to Mr. Peter Fry, Conservative.

Helicopter fire inquiry
The first high-performance Lynx helicopter to be delivered to the Army was extensively damaged by fire on Thursday night at Middle Wallop, Hampshire. A Board of Inquiry has been set up.

Miners hurt in skid
Twenty-one miners were hurt yesterday when a truck taking them to Derbyshire collieries skidded and overturned at Arkwright, near Chesterfield. Ten were taken to Chesterfield Royal Hospital but were allowed home later.

Manx Radio moves
Manx Radio is to get a new medium wave length frequency next year to stop it being blocked out by other stations after dark. It is moving from 232 metres to 219 metres.

Boiler house explosion
Four men were taken to hospital suffering from shock after a boiler house explosion at the Clyde Iron Works, Glasgow, yesterday.

WEST EUROPE

French-led consortium to forge ahead with fast-breeder reactors

Paris, July 1.—France, West Germany and other EEC countries will sign a series of agreements here next Tuesday setting up a joint company for research and development of fast-breeder nuclear reactors and their marketing abroad, French officials said today.

The move was an implicit rejection of President Carter's suggestion that Europe should follow the American example in limiting fast-breeder technology to avoid nuclear proliferation.

"We, too, are all for nuclear non-proliferation," one official said, "but we are determined to push ahead with fast-breeder and will take all the necessary safeguards against atomic weapons proliferation."

Europe had achieved a lead over American industry in this field and was now willing to surrender it, the official added.

The French side of the venture is headed by France's atomic energy authority, the Commissariat à l'Energie Atomique (CEA) and will include Novatom, a subsidiary of General-Loire engineering company.

West Germany's Interatom, associated with the powerful Siemens group, will lead a consortium of non-French firms, including Belgomineur of Belgium, Neratom of Holland and a still unnamed Italian company.

The CEA and Novatom will hold an initial 65 per cent majority in the new company. The German group will have a 35 per cent stake. But this is expected to be raised to 49 per cent in due course, while the French stake will be reduced to 51 per cent.

France has started to build

the world's first commercial 1,200-megawatt breeder, known as Super-Phenix, at Creys-Malville, in south-west France.

West Germany is building a 300-megawatt prototype breeder, with cooperation from Belgium and the Netherlands at Balk, near the Dutch border.

Britain runs a 250-megawatt fast-breeder at Dounreay, Scotland.—Reuter.

Nuclear leak: Nine people were under observation tonight after a major leak of uranium hexafluoride, a highly corrosive gas, at a chemical uranium processing plant here at Pierrelatte, in the Rhône valley.

The management of the Comurhex plant said, security personnel moved in immediately and sealed off the leak shortly after it occurred early in the afternoon.

A statement issued by the management said the accident happened in a workshop during handling of a gas cylinder, when a tap burst because of a mishap.

Eyewitnesses said a huge white cloud rose above the building. The plant manager said the cloud consisted of hydrofluoric acid, that "radioactive emanations remained inside the building".

Nine people who were inside the hall at the time of the accident were taken to hospital for observation. The plant manager said the leak was a "serious" one, but that it was not a "major" one.

The uranium hexafluoride gas, which is liquid at low temperatures, contains no more than 0.7 per cent of uranium 235 and has a low level of radioactivity.

The product is supplied for enrichment to 3 per cent at other plants in the Pierrelatte area which are working for civilian, as well as military, purposes.

EEC customs union extended to Britain

From Michael Hornsby
Brussels, July 1

Britain, Ireland and Denmark, which joined the EEC together on January 1, 1973, today completed their transition period of membership, and became full participants in the Community's customs union.

Apart from certain agricultural products, for which intra-Community charges will be abolished at the end of the year, goods traded between Britain and the EEC partners will now be free of customs duties.

The Nine will also present a uniform tariff wall to the rest of the industrial world.

The common customs tariff means that goods entering the Community at any point face the same level of protection in the EEC's different member states. The original Six achieved internal union and introduced the common customs tariff fully on July 1, 1968. As a result of international negotiations, the tariff has been reduced to an average level of 6 per cent.

On entering the EEC, Britain, Ireland and Denmark were given a transitional period of four and a half years within which they had to eliminate by stages the tariffs on goods

from other Community countries and align themselves on the common external tariff.

Despite the abolition of customs duties, the free movement of goods within the Community will still be hampered by various kinds of taxes (including excise duties) and such other barriers to competition as the different technical standards required from country to country.

Not until travellers suddenly find that customs formalities can be dispensed with when crossing borders between EEC member states. Customs legislation was widely in different parts of the Community.

In 1971 a long-range programme for the approximation of customs legislation was adopted. It is still in the process of implementation.

Regulations and directives have been approved on such matters as the definition of the origin of goods, deferred payment of customs duties, and duty-free privileges.

The overall picture is still fragmentary. The European Commission believes that once the process of approximation has been completed, the EEC should set about drawing up a unified customs code.

West Germany abolishes guilt in divorce law

Bonn, July 1.—A new divorce law abolishing the concept of guilt and enabling married couples to divorce after one year of separation came into force in West Germany today.

Whereas previously partners could get a divorce at any time if one of them had committed adultery or refused conjugal rights, the new law allows the split for one year and both agree to a divorce. If only one partner wants the divorce, the couple must live apart for three years.

A woman will be entitled to maintenance if she cannot support herself because of age, sickness or responsibility for children. Previously, a woman had no claim to financial support if she declared the guilty party.—Reuter.

Court bars move against prince
Amsterdam, July 1.—A court has rejected a call by Prince Bernhard of the Netherlands in connexion with his alleged role in the Lockheed bribery affair.

Italian MPs pass Bill on equal rights for women

From Patricia Clogh
Rome, July 1

The Chamber of Deputies has passed by an overwhelming majority a Bill giving equal opportunities and rights to women in employment.

The law in many ways to parts of the British legislation on sex discrimination and equal pay, it forbids any discrimination between men and women in advertising, recruiting, type of work, promotion and pay.

Women may not be barred on grounds of pregnancy, marital status, or the size of their families.

The equality will also work the other way. A man will have the same right to time off work if his children are ill and will be able to draw his wife's pension if she dies or is permanently incapacitated.

Women will be able to draw family allowances, previously granted only to their husbands. The Bill does not provide for the creation of an equal opportunities commission, on the British pattern.

Arrangements will be dealt with by ordinary courts. Failure of this text. No one voted against it.

He has insisted that the Bill be debated and adopted for three reasons: "First, because the word of France was involved. We had discussed this text for two and a half years with our partners and had agreed to it."

Second, because he did not wish France to bring up the rear in Europe. "The adjournment of the debate (proposed by the Gaullists) was in keeping with the dignity of France and with her rank."

And, finally, and most important, the time had come to end discussions on the nature of European institutions. "These institutions are now complete. They must now be used to make European unity progress."

Catalan and Spanish leaders in new talks

From Our Correspondent
Madrid, July 1

The president of the "autonomous government of Catalonia", which is not officially recognized, had his second long meeting in less than a week here today with Señor Adolfo Suárez, the Prime Minister. There were unconfirmed reports that the Prime Minister had asked him to resign in order to pave the way for Catalan home rule.

The Catalan leader, Señor Josep Tarradellas, also talked with leaders of the main Spanish political parties, including Señor Felipe González, of the Socialist Workers' Party, and Señor Santiago Carillo, of the Communist Party.

Asked whether Señor Suárez had suggested he resign as head of the Generalitat, Señor Tarradellas replied: "You must be joking." But the impression persisted in political circles that the Prime Minister finds Señor Tarradellas and the Generalitat, as currently constituted, an obstacle to even a temporary agreement to a home-rule ambitions in Catalonia.

While both men maintained silence about their conversations, Catalan politicians were optimistic. A former Chief Justice of the Generalitat, Señor Josep Andreu Abelló, said after a meeting with Señor Tarradellas yesterday: "There could be some important good news for Catalonia shortly."

Meanwhile, Señor Suárez once again postponed announcing the composition of his new Government and this time until next Tuesday. Although no reason was given for the delay, it was obvious that tensions within Señor Suárez's Centre Democratic Union, together with a strike by many employees of various ministries who are annoyed over plans to reorganize the administration, were complicating his efforts to form a Cabinet.

Anarchists in union protest
About 200 members of the National Confederation of Workers, the anarcho-sindicalist union, carried out a symbolic occupation of one of the buildings of the Spanish state-run trade union organization here today.

They did not directly interfere with the employees nor did they cause any damage to the building. They were dispersed by police about an hour after the occupation began.

A spokesman for the anarchists said that the action had been taken to demonstrate the claim of trade unions to the buildings used by the Government organization.

He pointed out that the Franco regime had confiscated all the property owned by the various trade unions, and that the anarchists, who were the unions' main supporters, now wanted their property back or due compensation.

French direct elections Bill becomes law

From Our Own Correspondent
Paris, July 1

President Giscard d'Estaing last night emphasized his European convictions, which sometimes cause him political problems at home, by giving special solemnity to the signature of the French law on direct elections to the European Parliament.

The ceremony took place in the gold drawing room of the Elysée Palace, which for 10 years was the study of General de Gaulle and of President Pompidou and is now preserved as a museum piece, after M. Giscard returned from London.

In a national television address the President reiterated that his objective was "a united France in a confederal Europe". Great difficulties, he added, had been predicted over the adoption of the law by the National Assembly.

Nevertheless, this, for the simple reason that Frenchmen in their great majority were in favour

of this text. No one voted against it.

He has insisted that the Bill be debated and adopted for three reasons: "First, because the word of France was involved. We had discussed this text for two and a half years with our partners and had agreed to it."

Second, because he did not wish France to bring up the rear in Europe. "The adjournment of the debate (proposed by the Gaullists) was in keeping with the dignity of France and with her rank."

And, finally, and most important, the time had come to end discussions on the nature of European institutions. "These institutions are now complete. They must now be used to make European unity progress."

M. Giscard d'Estaing said the Government's immediate objective was to work in the European framework to solve certain contemporary problems in agriculture, energy, unemployment and high-tech industries.

The other objective was to set up a powerful European confederation that would unite the economic and political forces of Europe, while preserving the ancient and vigorous personalities of our countries.

There were more immediate, pressing problems. But a country cannot live exclusively in the shadow of day-to-day preoccupations. It needs space, vision, hope. . . . France has had a history in the past. She must have a history in the future—that is to say national ambitions.

All our great conquerors have dreamed in their own way of uniting Europe. It is we who shall achieve their dream, not by conquest, but by peaceful ways, by giving the impulse of European unity, by bringing together the forces of our ambition, to the necessary confederation of Europe.

OVERSEAS

Mr Vance warns Salisbury and Pretoria and pledges US to seek change in southern Africa

From Our Own Correspondent Washington, July 1

Mr Cyrus Vance, the United States Secretary of State, said this morning that the choice between a negotiated settlement to the Rhodesian problem and a violent solution must be made now.

Addressing the convention of the National Association for the Advancement of Coloured People (NAACP), he said: "The conflict in Rhodesia is growing. Rhodesian incursions into neighbouring countries exacerbate an already dangerous situation and deserve the condemnation they have received."

The risk of increased foreign involvement in the racial disputes in southern Africa was real and violence in South Africa itself was growing. The United States intended to use its influence, as an impartial mediator, to pursue attempts to solve the problem of Rhodesia, (South) West Africa and South Africa itself at the same time.

A policy of leaving apartheid alone for the moment would be wrong and would not work. It would be a military reality that the beginning of progress must be made soon in South Africa if there is to be a possibility of peaceful solutions in the longer run.

"It could mislead the South

Ghana sets timetable for civilian rule

Accra, July 1.—General Ignatius Acheampong, Ghana's military ruler, today announced plans to transfer power to a civilian government by the end of 1977.

His Supreme Military Council would "transfer power to an elected government as soon as practicable," he said in a dawn broadcast.

General Acheampong's military regime has been in charge since a bloodless coup in January, 1972. Last Sunday the Ghana Bar Association said they would stop work if, within a week, the military had not made a move towards a return to civil rule. Other professions and unions also threatened to strike.

General Acheampong said today he had asked a committee studying the future form of government to report within three months.

A referendum will then be held within six months from that time to decide the form of government," he said.

Thereafter, depending on the choice of the people, a constituent assembly will be set up to draft the relevant constitution under which elections should be held to transfer power to a civilian government.

The people would decide whether the army and the police should be included or left out of any future government.

General Acheampong said. These steps will be taken in order to ensure that the military coup was the second since Ghana's independence from Britain in 1947. The first in 1966 ended the rule of Kwame Nkrumah. A subsequent experiment with a return to civil rule under Dr. Kofi Busia ended in 1972 with General Acheampong's overthrowing of the military government.

Swapo conditions for Namibia settlement

From Nicholas Ashford, Libreville, July 1

Mr Sam Nujoma, leader of the South-West Africa People's Organization (Swapo), which is fighting a guerrilla war against South African forces in South-West Africa, said in an interview today that his organization supported Western efforts to find a peaceful way of bringing the disputed territory to independence.

He rejected, however, the proposal worked out by South Africa and the group of five Western nations that South Africa should appoint an administrator-general to run the territory until elections were held.

He said that South Africa, which was in "illegal occupation" of Namibia, had no right to appoint such an administrator. He would be prepared, however, to accept an administrator appointed by the United Nations Commission for Namibia.

Mr Nujoma also made it clear that Swapo prepared to accept to take part in free independent elections in Namibia as long as all South African troops and police were first withdrawn from the territory. "You cannot have elections at gunpoint," he said.

The presence of a United Nations peacekeeping force during the interim period until independence was achieved.

The question of the withdrawal of South African troops is the most difficult problem facing the five United Nations Security Council—the United States, Britain, France, West Germany and Canada—who have already succeeded in extracting a number of substantial concessions from the South African Government.

Mr Nujoma said that the presence of the Turnhalle plan for an interim government.

President Amin lifts ban on Britons leaving Uganda

Nairobi, July 1.—President Amin today rescinded an order he made last month forbidding any of the 240 Britons in Uganda from leaving the country.

The travel ban was imposed on June 8 at a time when President Amin was insisting that British citizens would not be welcome at the Commonwealth conference in London.

Later, further restrictions were imposed, forbidding Britons to meet or travel within Uganda in groups of more than three.

Uganda radio quoted a presidential spokesman today as saying all restrictions of movement had been lifted although Britons should still seek official permission before leaving the country.

President Amin expressed goodwill for the British people and pleasure at the way Britons in Uganda had complied with his orders.

Nairobi Correspondent writes: The Kenyan Parliament has approved a Bill to establish a Kenyan Customs and Excise Department, with effect from today, to take over the services formerly run by the East African Community.

Kenya has decided that the Community is now dead, although Uganda and Tanzania maintain that it remains in existence despite the fact that Kenya has left it.

No financial provision has

Canada reluctant to join a Rhodesia force

By Our Diplomatic Correspondent

Canada would be extremely reluctant to take part in any force in Rhodesia, Mr Donald Jamieson, the Canadian Foreign Minister, said yesterday.

The idea of such a force, designed to keep the peace in the interim period between the end of the Smith regime and elections for majority rule, was discussed by Mr Owen, the Foreign Secretary, yesterday.

Mr Jamieson said that the Foreign Secretary's rather pessimistic view about the prospects for a settlement. Canada would be reluctant to contribute to a so-called Commonwealth force, particularly in Rhodesia, where such a force would have to stand between blacks and whites.

That the idea is in the air, however, is confirmed by our reports that the Indian Government has been approached by the Commonwealth Secretariat for a token contribution to a Commonwealth contingent.

The reaction of the Indian Government was favourable, it is understood. But while it accepted the proposal in principle, it sought further information about how such a force would be used and emphasized that its purpose must be to preserve peace and not to take any offensive action.

Mr Carter lives up to campaign promise and scraps B1 Cruise missile eclipses manned bomber as America widens 'technology gap'

From Patrick Brogan Washington, July 1

President Carter's decision to scrap the B1 bomber and to rely instead on the Cruise missile is very much the American way of doing things. He called his book published during his election campaign *Why Not the Best?*

During their long history of world technological leadership, the Americans have usually been ready to jump as far forward as they can, to skip the intermediate step even if they have already spent a prodigious amount of money on it.

The B1 bomber is a marvel, incorporating all the most advanced technology of the past decade and is by far the most formidable, airborne weapon now in existence.

In another sense, however, the decision goes against the traditional American grain. In the past the American tendency has been to buy two of everything. On the B1, former President Ford accepted all the arguments which led Mr Carter to cancel the bomber, but appeared to be divided to order 400 or so just in case the Cruise missile was not ready in time.

This sort of attitude was based upon the assumption that American resources were endless and that any quantity of money, energy, skilled manpower and technological inventiveness could be produced. The Vietnam war and the energy crisis have demonstrated to most Americans that even the United States must budget its resources.

But the Cruise missile is yet more advanced. It will represent the most sophisticated technology of the 1980s and even though it has hardly been tested and might conceivably be abandoned in favour of a more advanced, but more costly, system, it is a step forward.

President Carter promised, during the election campaign, that he would cut Government expenditure by at least \$100m (£58m) and probably will meet further expenditure of four times that over its lifetime. The American Air Force wanted 244 of them.



Death of an aircraft: President Carter's decision to abandon the B1 bomber after 15 years' work sounds the death knell for manned bombers.

Cruise missiles cost about \$1m each and cost less than a bomber to maintain, although large sums will have to be spent on "carriers"—aircraft and perhaps submarines—from which they will be launched.

The President, therefore, claims that he has saved up to two of his main campaign promises: that he will control the budget and that he will guarantee a defence system "second to none."

His argument is unanswerable on the first of these points, as far as money is concerned. The United States Air Force and its supporters question the second claim.

There will be attempts in Congress to revive the B1, but a majority of congressmen, and the public, are likely to conclude that a decision to spend anything up to \$100,000 must be left to the President, who is also, under the constitution, Commander-in-Chief of all American forces.

Supporters of the B1 will argue, like President Ford, that the B2 bombers are old and that until some time in the early 1980s, the very best, America will have to rely on submarine-borne intercontinental missiles and missiles buried in the wastes of North Dakota.

The decision means the end of the manned bomber, and the Air Force and such influential former pilots as Senator Barry Goldwater, mourn its passing.

Those who are not committed to aircraft, however, and probably the Russians, too, see things rather differently. The

Journalist accused at gunpoint in Laos

Nong Khai, Thailand.

—An Australian journalist pelted from Laos roads secret police had pressed into his face to make a "preposterous" comment about being a spy.

Mr John Everingham, 27, had been a resident for nearly 10 years and last Western correspondent in the country. He was on foreign leave, as he had been in Vietnam on tour, held since then by police officers were all released him today.

In the group were British citizens, Mr Ray aged 26, his wife Susan, Mr James Kennedy, 31, and his wife, Mrs. Kennedy. They had been in Laos for three years, sold to leave within 48 hours.

Two French teachers, Francois Chava, a United Nations employee, Georges Bihllet, were leave within a "reasonable" period.

Mr Everingham said that the Lao Police had been ordered to search his house before his arrest. He said that the police had been told to search his house before his arrest. He said that the police had been told to search his house before his arrest.

He was also accused of foreign currency illegal setting up a "marijuana opium parlor" and organ "evil social activities, etc."

The radio said that Mr Everingham would have been severely punished but for Laos's desire to maintain friendly relations with the countries concerned.

Mr Everingham said immediately admitted to pol that he was an opium addict. "Of course, the fact that I am an addict is also a posteriori," he said. He was also accused of being a "biggest CIA agent in Laos."

Mr Everingham, who was a part-time correspondent for Reuters and the *Eastern Economic Review*, the police had told him it was illegal for a journalist to talk to Lao people. "I said a journalist can only information from the Government."

"The secret police was making up their own laws in their own rules. The decisions everybody signed written entirely by the police."

He said that during detention he realized the end of the power of the police. He said that during detention he realized the end of the power of the police.

He said that during detention he realized the end of the power of the police.

Opposition leader expelled from Brazil Parliament

Brasilia, July 1.—General Ernesto Geisel, the President of Brazil, used his emergency powers again last night, expelling the elected Opposition leader from the Lower House of Parliament.

General Geisel, using his "guilt-free" power for the second time this month, stripped Senator Alencar Furtado of his seat in the Chamber of Deputies and deprived him of his civic rights for 10 years.

Opposition given Baluchistan briefing

From Our Correspondent Rawalpindi, July 1

The joint chiefs of staff of the Pakistan armed forces were called in today to brief Opposition leaders on the military situation in the province of Baluchistan during their three-hour meeting with the Government on the continuing political crisis.

A Government spokesman said afterwards that the military commanders had given their professional view of the situation in Baluchistan. The Opposition has demanded that troops should be withdrawn from the province within 15 days of the signing of an agreement with the Government to hold another general election.

The troops were sent to Baluchistan three years ago to suppress an open rebellion by Baluchi tribes against the removal of the opposition National Awami Party provincial government.

While the Government is known to have agreed in principle to the demand, it maintains that a large-scale military operation could not be wound

For 'illegitimate' read 'exnuptial'

Sydney, July 1.—The term "illegitimate" for children born out of wedlock was abolished in New South Wales and replaced by that of "exnuptial" today.

The amendment is ended so far as the law is concerned, Mr Peter Walker, the New South Wales Attorney General, said today.

"Exnuptial" gains rights of inheritance and maintenance under the Children (Regard of Status) Act—Agence France-Press.

£2,940m to save the Mediterranean

From Mario Modiano Athens, July 1

The Mediterranean countries would have to spend about \$5,000m (£2,940m) within the next 20 years if they wanted to control sea pollution effectively and create a healthy environment.

This would represent about \$10 for each inhabitant of the 18 coastal states.

This emerged from symposium on the control of coastal water pollution organized by the World Health Organization (WHO) that brought to Athens the week experts from 16 of the 18 Mediterranean states to discuss a code for the control of pollution from land-based sources. They also discussed proposals for more effective methods of decreasing pollution, including the recycling of liquid wastes to fertilize desert lands.

Participants, including both the Israelis and the Arabs, recommended the development of a code of practice to provide guidelines to engineers, scientists and planners on the most effective and economical ways of controlling the pollution.

Dr Meropis Violekis, the Greek Director-General for Health,

who chaired the meeting emphasized the urgency of such a code so that the money spent by the Mediterranean states could both safeguard their precious marine heritages and allow social-economic development to proceed without undue hindrance.

Mr Ian Waddington, the chief of the environmental health branch of the WHO (Europe), said that he was not pessimistic about the future of the Mediterranean. "If something is done in the next 10 to 20 years it could be saved."

His Majesty King Charles I's men-of-war the Adventure, commanded by Captain John Maunsell, crossed the Channel from Dunkirk to Dover on June 3, 1629. On board was the most successful and sought-after painter in Northern Europe, the Fleming Peter Paul Rubens, who had recently been appointed Secretary of the privy council of the Netherlands by the King of Spain, Philip IV. Rubens was travelling with his brother-in-law Hendrick Brant and was bound for London with the purpose of negotiating an exchange of ambassadors, the first stage of a hoped-for peace between Spain and England.

He had travelled to Dunkirk from Madrid, spending only a few days in Flanders, where he had a special audience on a Sunday with the Archduchess Isabella, who had originally proposed that her court painter be entrusted with these delicate diplomatic negotiations. Philip's reaction had at first been predictably stuffy: "I am displeased", he wrote to her, "at your mixing up a painter in affairs of such importance. You can easily understand how gravely it compromises the dignity of my kingdom, for our prestige must necessarily be lessened if we make to mean a person the representative with whom foreign envoys are to discuss affairs of such great importance."

However, Isabella, no less predictably, had persevered, and Rubens went to Madrid in August, 1628, for preliminary talks. He impressed Philip and his chief minister, the Count-Duke of Olivares, and after the first round of negotiations had ended, he was briefed by Olivares and left Madrid for London on April 29, 1629.

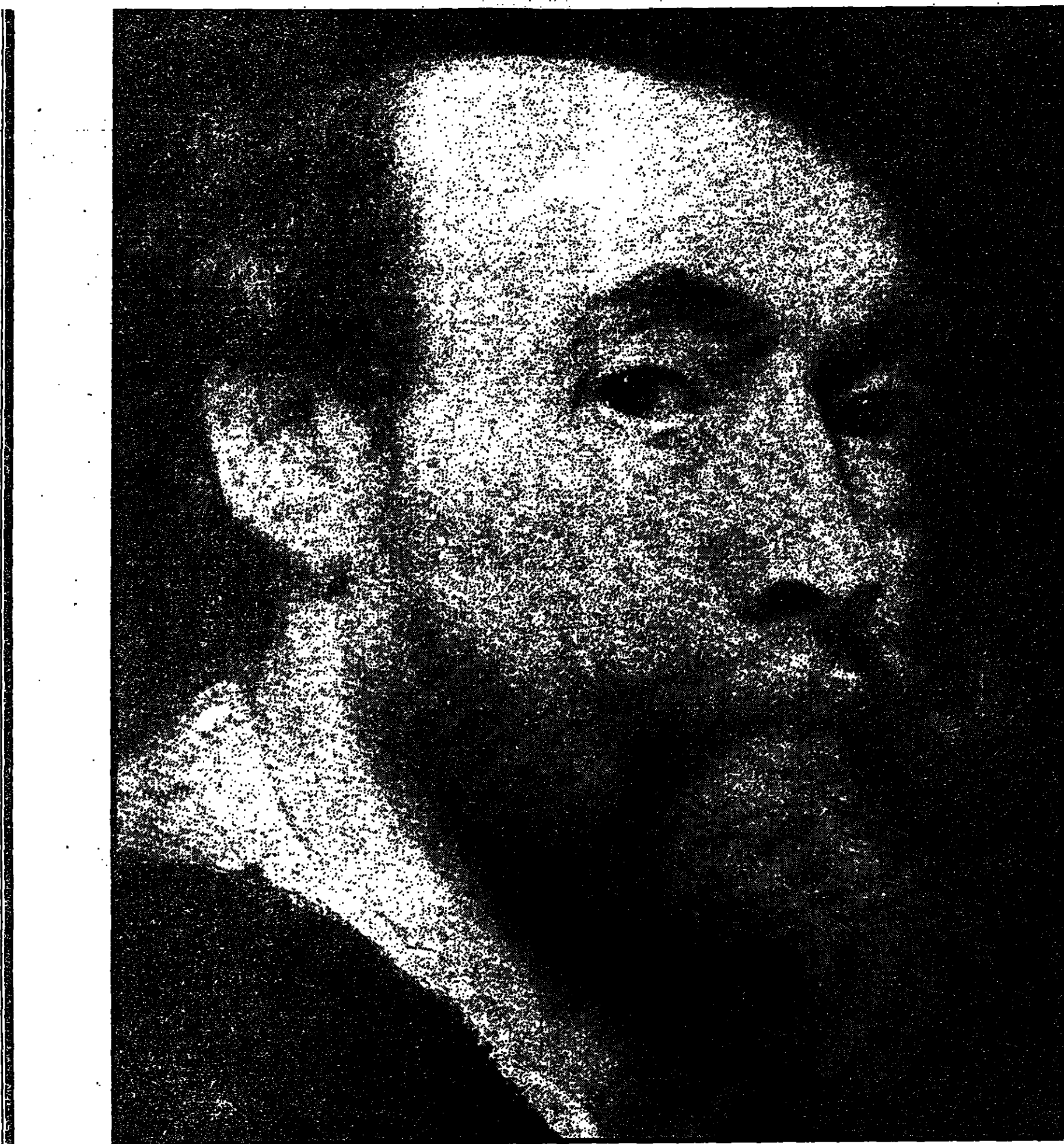
At this time Rubens was 51 years old. He was born on June 28, 1577. He had returned in 1608 from the stay in Italy that was *de rigueur* for young Netherlandish painters of the period, and a great reputation had preceded him to Antwerp. He settled in the city, married Isabella Brant, the daughter of a prominent lawyer, and after the early successes of the two great altarpieces, the Raising of the Cross (for St Walburga's) and the Descent from the Cross (for the Cathedral), his studio soon became the largest and the busiest in the city, and as early as 1611 he was having to turn away prospective apprentices.

He had been appointed court painter to the Archdukes Albert and Isabella, and it was not long before his renown spread as far as the courts of Paris, Madrid and London. In 1621, during the reign of James I, when Rubens had just completed the monumental decorations for the Jesuit Church in Antwerp, the suggestion was first put forward that Rubens should undertake the ceiling paintings for Inigo Jones's splendid new Banqueting Hall in Whitehall, which was nearing completion. He was "very enthusiastic" about the project: "As for His Majesty and His Royal Highness the Prince of Wales," he wrote to William Trumbull, "I shall always be much pleased to receive the honour of their commands; and regarding the all in the New Palace, I confess that I am, by natural instinct, better fitted to execute very large works than small curiosities. Everyone according to his gifts, my talent is such that no undertaking, however vast in size or diversified in subject, has ever surpassed my courage."

Despite this fervent self-advertisement, the negotiations lapsed and it was not until Rubens's visit to London in 1629 that the contract for the Banqueting Hall was finally agreed. In the meantime, however, Charles, the Prince of Wales, added a number of paintings by Rubens to his growing collection. They included a self-portrait, an honour of which the painter could not help boasting in a letter of 1625: "The Prince of Wales is the greatest connoisseur of paintings among the princes of the world. He already has something of my hand, and through the English resident in Brussels, he has ordered for my portrait with such insistence that I found it impossible to refuse him. Though to me it did not seem fitting to send my portrait to a prince of such rank, he overcame my modesty."

When therefore the Adventure docked at Dover Rubens knew that as well as his tortuous diplomatic negotiations he had the prospect of meeting "the greatest amateur of paintings among the princes of the world" who had ascended the throne as Charles I. The King approved Rubens's appointment; in a letter which accompanied Rubens's passport, Sir Francis Cottington had written, "The King is well satisfied, not only because of Rubens's mission, but also because he wishes to know a person of such merit."

Rubens reached London on June 5 and went to the house of his friend, Balthazar Gerbier, Gerbier was also a native of Antwerp and a painter; he had acted as an agent for the Duke of Buckingham in the Netherlands in 1627, conducting secret diplomatic negotiations and buying works of art. After the Duke's assassination in 1628, he entered the royal service, travelled extensively in Europe and was constantly involved both in political intrigue and in the purchase of works of art. He is a fascinating study figure, one of a considerable number of men who lived on their wits on the fringes of the European courts in the seventeenth century.



Painter and politician

Christopher Brown on the diplomatic career in England of Peter Paul Rubens.

An exhibition of his sketches and drawings,

to commemorate the quatercentenary of his birth, opens at the British Museum on Friday, July 15.

So it was from Gerbier's house that Rubens set out for Greenwich on the following morning, for his first audience with Charles I. The interview was a long one, and we may be sure that the proposed peace was not the only subject discussed by the painter and his royal admirer. That same day Rubens met the Lord Treasurer, Richard Weston, and the Earl of Carlisle, whom he had impressed as "a real (ie reliable) man, and as well affected to the King of England's service as the King of Spain can desire" when the two men had met in Antwerp in 1626. Meeting in council the next day, the King decided to entrust the negotiations to Sir Francis Cottington, an enthusiastic Hispanophile.

The diplomatic negotiations which followed Rubens's warm welcome in London were protracted and complex: we have a valuable record of them in the long series of Rubens's own despatches to Olivares in Madrid. Spain and England were still officially at war, but both felt themselves threatened by the growing power of France, particularly since the recent defeat of the French Huguenots. Cardinal Richelieu was now able to concentrate all his forces on his expansionist foreign policy. For his part, Charles I was undoubtedly keen for peace. During the days of his personal rule, war was a luxury which he simply could not afford, and the English willingness to make peace had been established in the preliminary talks in Madrid attended by Gerbier and by the English courtier Endymion Porter.

Rubens's task was to confirm this resolve and to give it concrete form in the exchange of ambassadors. The principal obstacle was, of course, France, and Cardinal Richelieu had his

supporters at the English court. As a result of aristocratic extravagance, wrote Rubens to Olivares, "... public and private interests are sold here for ready money. And I know from reliable sources that Cardinal Richelieu is very liberal and most experienced in gaining partisans in this manner, as Your Excellency will see by the report here attached." The peace with France had just been concluded, but the King assured Rubens that this meant little. Rubens analysed the situation for Olivares in this way: "There are in this court several factions. The first, which is headed by the Earl of Carlisle, wants peace with Spain and war with France; the second is much larger and wants peace with all. To tell the truth, I believe that the Lord Treasurer is of this opinion, and the Earl of Holland also. The third is the worst: it wants war with Spain and offensive league with France against her. This party places great hope in the coming of the French Ambassador and is making great efforts through the Ambassador of Venice, who is a very bad influence in this Court for the disturbance of all Europe." (He was quite right to mistrust the Venetian ambassador, Alvise Contarini, who was not only urging the French case, but had written to the Duke that Rubens was "an ambitious and greedy man, who wants only to be talked about, and is seeking some favour".)

Rubens's opponents also included the formidable 70-year-old statesman Albert Joachim, Ambassador of the United Provinces, who was working against the Anglo-Spanish peace because it would mean the end of English support for the Dutch. Charles felt obliged to

respect his treaty obligations to the Dutch, though privately he told Rubens that he considered them rebels against their lawful King. In addition to French, Venetian and Dutch opposition, there was a serious sticking-point in the negotiations in the form of the Palatinate: Charles's brother-in-law Frederick, the Count Palatine, had lost all his lands after his defeat in Bohemia, and was now in exile in the United Provinces. Since 1621 Spanish and Imperial troops had occupied the Palatinate, and Charles wanted Philip to use his influence on the Emperor to reinstate Frederick. "His Majesty swore to me," wrote Rubens to Olivares, "that he was bound and obliged, not only by blood relationship and by nature, but also by the closest bonds of confederation, so that neither his faith, conscience nor honour would permit him to enter into any accord with His Catholic Majesty without the restitution of the Palatinate."

Here Rubens found that his hands were tied: "I excused myself with the remark that I had no orders to deal with this matter, that this was to be turned over to the Ambassadors." The King's enthusiasm for the Palatinate, however, gradually waned, and it became increasingly clear that he would be satisfied by vague assurances: "I am sure," wrote Rubens, "that in his heart he prefers a simple friendship with Spain a thousand times more than all the offers of France, and that he curses the day when the Palatinate came to his attention."

The King's goodwill was not, however, enough, "for whereas in other Courts negotiations begin with the Ministers and finish with the Royal word and

signature, here they begin with the King and end with the Ministers."

In the meantime, the French ambassador, M. de Chaulneuf, had arrived in London, and with the support of his Venetian allies, began proposing the alternative of alliance with France. He made extravagant promises about the Palatinate, but to no avail. With Charles reassured by Rubens about the Palatinate, Cottington made ready to leave for Madrid to negotiate the terms of the treaty. The news of his preparations had alarmed the pro-French party, and it was with wry amusement that Rubens related to Olivares the arrival in London of "an Englishman called Furston," a special envoy from Richelieu to Weston. The document he carried "gave assurance that in order to re-establish His Majesty's sister in the Palatinate, the power and friendship of the King of France would be more valuable than that of the King of Spain, even supposing it were the latter's intention to do this but he never had this intention in the past, nor will he have it in the future."

He said that the King his master had made peace with the (Huguenot) rebels for no other reason than to be able to aid his friends and turn all his forces against Spain. Finally he offered the Lord Treasurer a large sum of money, either in capital or in the form of a pension, as he preferred. "The strange thing is that this envoy has orders not to communicate this document to the French ambassador who is here, Cottington tells me that at once to him, and he presented it to the King. The King simply laughed at it and said he was well acquainted with

the wiles and tricks of Cardinal Richelieu, and that he would prefer to make an alliance with Spain against France rather than the other way round." With Cottington preparing to go to Madrid, the tone in Rubens's reports to Olivares became understandably impatient at the Spanish delay in nominating and sending their Ambassador. However, he was able to go to the palace at Oudlands on August 13 to inform the King that the Spanish ambassador was to be Don Carlos Coloma. The King replied that he was well satisfied and very glad at this choice of Don Carlos, since he knew him to be a nobleman of excellent reputation, and well-disposed to this negotiation.

Less than three months after his arrival in England, Rubens had completed his task: the peace had been agreed in principle, and the ambassadors nominated. Olivares congratulated him "in the name of His Majesty for the zeal, the solicitude and the attention with which he reported all that happened in this affair." It was, however, not until March in the following year that Rubens finally left London. The principal cause of the delay was that Coloma, a former ambassador to London who was then Commander of the Spanish forces in the Netherlands, was naturally reluctant to leave the war at a time of Spanish setbacks. He did not make his entry into London until January 11, 1630, and even then he waited Rubens to remain with him for a while.

During these months of waiting, there are fewer letters than during the hectic first months in England, though Rubens continued to report events at the English court to Olivares. We may imagine that

he devoted more time to painting and to travel. One particularly pleasant journey was to Cambridge in October, where the degree of Master of Arts was conferred upon him.

Rubens described his impressions of England to his friend Pierre Dupuy, the Royal Librarian in Paris, in a letter dated August 8: "I feel comforted and rewarded by the mere pleasure in the fine sights I have seen on my travels. This island, for example, seems to me a spectacle worthy of the interest of every gentleman, not only for the beauty of the countryside and the charms of the natives; not only for the splendour of the outward culture, which seems to be extreme, as of a people rich and happy in the lap of peace, but also for the incredible quantity of excellent pictures, statues and ancient inscriptions which are to be found in this court. I shall not mention the Arundel marbles, which you first brought to my attention. I confess I have never seen anything in the world more rare, from the point of view of antiquity..."

The following day he wrote a similarly enthusiastic account to his friend Fabi de Peiresc: "Certainly in this island I find none of the crudeness which one might expect from a place so remote from Italian elegance. And I must admit that when it comes to fine pictures by the hands of first-class masters, I have never seen such a large number in one place as in the royal palace and in the gallery of the late Duke of Buckingham. The Earl of Arundel possesses a countless number of ancient statues and Greek and Latin inscriptions..."

As well as visiting aristocratic collections, Rubens met

scholars and antiquarians: in the same letter to Peiresc, he mentions meetings with Sir Robert Cotton and Sir William Boswell. Though praising Seiden's great catalogue of Arundel's collection of inscriptions, the Marquess Arundellians, he regrets the antiquarian's political activities, which have resulted in his being jailed at that time. Rubens had met in the street and exchanged a few words with the famous philosopher, the Dutchman Cornelius Drebbel, who had spent some time at the court of the Emperor Rudolf II, where he was employed as an alchemist and was said to have constructed a perpetual motion machine.

James I had entrusted Drebbel with the preparation of spectacular effects for court masques. "Here they tell us," wrote Rubens to Peiresc, "that in all these years he has invented nothing except that optical instrument with the perpendicular tube which greatly magnifies objects placed under it. As for the perpetual motion apparatus in the glass ring, that is only nonsense. He has also constructed several machines and engines for the aid of La Rochelle, but they had no effectiveness whatever. But I do not want to rely upon public gossip, to the detriment of so illustrious a man. I shall visit him at home, and talk with him more intimately, if possible. I do not recall ever having seen a phlogistomy more extraordinary than his..."

Rubens also found the time to practise his art. He painted a number of portraits, probably including one of Arundell and a group portrait of his hosts the Gerbier family. He also sketched the royal physician Sir Theodore de Mayerne with whom he no doubt discussed pigments and vanishes, on which Mayerne made extensive notes. The most important single painting undertaken in England was, however, the great allegory now called Peace and War which he presented to Charles I and which is now in the National Gallery. In the earliest catalogue of Charles I's collection the picture is described as "an Emblem wherein the differences and consequences between peace and wars is shewed which Sr Peeter Paul Rubens when he was here in England made and was presented by him" to the King. It has correctly been described as an allegory or Rubens's own diplomatic mission to England.

Occupying a central position is the figure of Peace (or Plenty), pouring milk from her breast to feed the child at her side. She is protected by a heavily-armed Minerva, Goddess of Wisdom and the Arts, who forces away Mars, the God of War, and behind him the fury Alecto, with a screaming plumed serpent fire hovers over the scene. War is thus represented as an ever-present threat, always poised to disrupt peace. In the foreground three children—Rubens used the Gerbier children as models—are led forward by a winged Cupid and the torch-carrying boy-god of marriage, Hymen (for marriage prospers in peace-time). The children are to enjoy the fruits of peace which spill forth from a cornucopia held out by a satyr. On the left, a woman brings wealth in the form of precious objects and jewels. Beside her another joyfully shakes a tambourine. Even the leopard is shown to be merely playful, rolling on his back to claw at the leaves on the grapes. It is tempting to speculate that the leopard symbolizes France.)

When composing the painting, Rubens had in mind Titian's picture of the same subject in the Doge's Palace. It is important to remember that the whole of this huge canvas was presumably painted by Rubens alone; he had, as far as we know, no students or assistants with him. A passage such as the fruit spilling from the cornucopia, which in the Antwerp studio would have been painted Frans Snyders is here the work of the master's own hand.

In addition to this great allegory, Rubens also began the Landscapes with St George and the Dragon in the Royal Collection. In a letter written by Joseph Mead and dated March 6, 1630, we read that he "had drawn with his pencil the history of St George wherein (if it be possible) he hath exceeded himself; but the picture he hath sent home into Flanders to remain as a monument of his abode and employment here." From internal evidence and that of preliminary drawings it is clear that the composition was at first laid out on a much smaller scale and was later enlarged by Rubens, presumably after his return to Antwerp.

St George is a romanticized portrait of Charles I, and the Princess a plump Henrietta Maria. The scene is set in the distance is of the Thames and London: Lambeth Palace and the Church of St Mary Overy can be made out. The painting was probably brought from the artist for the King by Endymion Porter, and is recorded in van der Doort's catalogue as "The great St George". It was brought back into the collection by George IV in 1814.

The greatest artistic monument of Rubens's stay in London is the Banqueting Hall ceiling, first proposed in 1621, it was only during his stay that the commission was actually continued on page 8.



Yesterday was a key date for Israel, that proud, gallant and striving country from which we in Britain buy so much fruit, vegetables and fashion. Yesterday Israel became linked to the European Community as the result of official agreements signed in May, 1975, and February, 1976. Obviously, therefore, Israeli goods are going to be cheaper or at least stable in price, despite inflation, because tariffs will begin to fall.

The benefit to us is clear: Israel's exports to the European Community, even before tariff falls, were about 37 per cent of their total exports. Of this they sell to Europe diamonds (30 per cent), fresh agricultural products (24 per cent), processed foods (10 per cent), as well as clothing and textiles.

In passing, it might be interesting to say that Israel sends Britain more than £31m of fresh fruit, and vegetables like aubergines, pimento and avocado. Of that total, the bulk is in citrus fruits and I have to admit their grapefruit, lemons and oranges are wonderful, there or here after travelling. But—and it is extraordinary—they rarely squeeze fresh orange juice even in expensive restaurants. In fact, and I shall come to it again later, they are the most energetic, enterprising and enthusiastic race but they are not good finishers. They process something over £23m of food to send us and we get plenty of squeezed fresh orange juice in cans or concentrates, but they will not find the time and energy to do it there, for themselves or for tourists.

The fruit is everywhere, from Marks and Spencer to Fortnum's, from the corner greengrocer to Harrods.

Jaffa is a delightful old town still, for the most part. Some parts, crowded with tiny ateliers and craft shops, have been so reconducted as to look entirely new, too new from the visitor's point of view. But why should we tourists expect them to live and trade in discomfort merely because we long to see the old, dilapidated buildings from which the Mediterranean salt has stripped the old stucco from the buildings? Jaffa (Yafa to the Israelis) is still charming and the bathing stimulating, with warm water and long, whitetrestled rollers.

As to the fashions, I found myself following in Prudence Glyn's footsteps, so not wishing to repeat her, I stuck to looking at some of the casual and swim wear.

At Gottex, I recognized the swimsuits and caftans so popular at Harrods, Harvey Nichols and their out-of-London counterparts. Every swimsuit is superbly finished, fully lined and so, so feminine, in masses and bouquets of flowers on black, white or coloured grounds. The new collection will be delivered in September or near to Selfridges and Lillywhites as well as Harrods and the rest and I would advise no time-wasting because these Gottex lines are going to be snapped up. Every swimsuit has coordinating tabards, sarongs, caftans, or chiffony, floating dresses which would look wonderful at night or day. The swimsuit may have a small bouquet of flowers, especially if it is a small bikini while the caftan picks them up, enlarges them or takes the motif and spreads larger bouquets.

Many Miss Worlds and Miss Universes, apart from Miss Israel herself, have sought their crowns in Gottex swimwear and even their evening-style dresses—Miss France was a devotee when she won her laurels. The designer herself, part owner of Gottex with her finance-director husband, is a surprising lady. She comes in quietly while you watch

the models showing her wares, and sits there as though she were no more than an observer. Her plain, classical navy blue dress with the strand of pearls, her steel-grey hair neatly coiffed, and her apparent disinterest in the show make you wonder who she is. Not one of the ubiquitous buyers from America or the European Community, obviously.

No, it is Mrs Gottlieb, whose utterly youthful yet ageless and enchanting designs are being shown. She knows them backwards and has already put the current collection behind her while her mind buzzes with 1978—“I am afraid I think so much for next year that I nearly always date my cheques a year ahead”, she admits, giving a cursory glance at the clothes she designed a year ago for this year's exports.

For 1976 her range was strongly sexy. Very oriental or West Indian, for women with Amazonian tendencies if not sizes. As bold as the year of liberated women in stark contrast to the prettiness of this year, the flowers and fineness. She has a fairly standard range of swimsuits, from the matronly to the extra sexy with adorable bikinis that make one long to be young and slim. She travels a lot and her daughters, like her, are off and away at least every month—the girls look after trade fairs, exhibitions and selling trips while Mother goes a buying her fabrics, mostly from Italy—she has to get her fabrics in October or November for the following year's collection and, since she designs her textiles and shapes in coordination one can see why she lives with a different calendar.

Mrs Gottlieb's great skill is in getting the colours and patterns to look exactly the same on every fabric, on elasticized Lycra with plenty of stretch, on filmy or on opaque fabrics, on everything. Her technical knowledge of screen printing is enormous and an asset so that her clothes are loved in Canada, Australia and America as in Britain.

She has her private customers too, like the wife of the Shah of Iran who will buy much of every Gottex collection. Or like Princess Beatrix who comes to London stores for her Gottex wear—Elizabeth Taylor is another devotee and I found from the files that she writes the most charming thank you letters. This year Mrs G had found a noticeable upsurge of buyers from EEC countries, already fully aware of the falling tariffs ahead. In fact, one of the Export Institute staff told me that at least 200 extra buyers had come to the current collections, and all from the EEC, while the number from the non-EEC countries had not dropped at all.

It was my day for swimsuits, leisure or sports wear. At Rikma, I found the most sexy collection—sexy in a different way with an emphasis on streamlined bodies in streamlined clothes or awkward bodies in flattering, flowing caftans and harem knickerbockers as well as a lot of exciting and fun clothes for the young. The designer is also part of the firm, Rojy Ben Joseph. What I liked about Rojy's designs are that she steadfastly refuses to copy or to court European fashion and style. Her clothes typify modern Israel—vital, bustling yet feminine. Rojy loves her country and is a designing patriot in that what she feels, she expresses in textiles and clothes, without looking abroad for inspiration.

She describes her current collection (at most of the stores already mentioned plus some of the smaller, Bond Street or Oxford Street boutiques and at their counterparts outside London) as the “Virgin Sabra” collection. Sabra is the prickly pear which the Israelis think is like themselves, defensively prickly on the outside but all softness and sweetness within (the word is used to describe

many “native” happenings and customs). As for “virgin”, I cannot believe that most of the women and girls who wear her clothes will be virgins long. She has an extraordinary swimsuit with wide ties rather than shoulder straps which can be crossed in front, above the breasts, before being tied at the back of the neck; or pulled up over the shoulders and crossed behind for tying. Its drama lies in the deep cleavage which comes to below the navel. Actually, since it contours and covers the breasts, showing a narrow cleavage, the result is pretty as well as subtle.

The ideal thing about this cleavage suit is that it looks good on a wide-shouldered, fairly well-built model. The bikinis are “pretty”, very harem in concept with tiny gill hands falling from the straps that join back and front so they tinkle over the slim hips while more coins or tiny hands fall demurely yet eye-catchingly between the breasts. Rojy herself laughed when the “hands” model came on—“they are going to ask whose hands are all over you”, she called out in a delight at seeing her own, much-worked style through the eyes of others—I was with a German buyer and was fascinated by what she knew German women would and would not wear, what sells in America (still the

bosomy Hollywood styles). In Britain, almost everything goes as long as it is easy to wear as her caftans, tabards and cover-ups (which look rather like patterned net curtains) are.

She is cunning with many of her dresses. Just as Gottex sarongs can be worn as mid-length dresses from above the bust or, fastened at the waist, as long skirts, so Rojy's bedouin ponchos and dresses can do double duty. A fringed headscarf becomes a cape while the dress that started as a matching, short dress becomes a long skirt.

Rojy plays with fabrics because she and her brother also have textile factories and she coordinates her shapes and fashions to the fabric and vice versa. Her designing is apparently haphazard, since she seems to have no idea what to do for next year until the deadline is due—then her fantasies and skills pour out. Bedouin trousers, ankletied with drawstrings, are surprisingly flattering for most ages and sizes, as are classic swimsuits—Rojy, too, dates her cheques a year ahead so that Israeli banks must know exactly when these ladies' collections are about to be born. Besides Harrods, Liberty and such like, Rikma fashions are well stocked at all John Lewis branches and at many other smaller shops. Her fun suits, like the cotton plus-fours with tunics like tracksuits

and huge, huge cotton saddlebags to wear over the two shoulders, along across one or even separately and her tunics with drawstrings that pull long sleeves up into short ones—all these will be at Bazaar in September and a good many of them will probably be included in the Rikma collection for next season. (Rikma is at 214 Oxford Street, W1).

I was interested in diet camps, just beginning, where the young (the age limit being 22) can diet, exercise, dance, learn about proper eating and generally enjoy themselves, all under medical supervision. The two-week courses cost £75 each, with no extras—especially no food or drink extras (there are, inevitably, taxes on top of that).

I saw, too, the loveliest tablecloths and table mats,

also by the talented Rojy, which are now being bought and may be here by next year, of which more when we get them. What did fascinate me was that the round ones, woven in glorious, ringed colours, look so much nicer under plates (which usually are round) than the oblong ones.

Since we all think of Israel as fighting for survival and that, indeed, is something that nation has done so bravely, so proudly and with such deep faith in its continuing existence, that one can only marvel at how Israel endures and conquers. The stress shows not in anything I can define but in many little ways. Like the shelters on the roads near the Golan Heights or the ladders in kibbutzim near borders.

It shows in the way Israelis buy little portable piles of gold and diamonds to keep always with them. You can see it in the definitely civil but fiercely efficient security systems everywhere. You can feel it in the children's games and in the conscripted soldiers hitching their guns over their shoulders in order,

to free their hands for hitching a ride from passing motorists. It is obvious from the lookout posts, the fenced borders and the unbroken but anxious spirits of the people, from their fatalism. An Israeli notices the drama in the headlines of British newspapers about 27 dead in a bus crash and comments—“We would think nothing of only 27 people dead and it would certainly not make headlines.” There are a hundred ways in which one can see the uncertainty of generations of strugglers in Israel and, perhaps, it shows most in their determination to reclaim the entire land, even the deserts; to develop towns and villages in the wilds, taking water and agriculture, or factories to the wilds rather than allowing any part of that hard-won, precious country to be unused, to be just that little bit less than fully worth the generations of sacrifice.

As yet, Israel's furniture, arts and crafts are not hot sellers in this country, but they are anxious to learn what pleases us, as they are with jewelry which sells so well in the United States. The truth is that most of their stuff, in these categories, is at high prices but looks as if it should be selling at medium prices. That is something which may well begin to change when tariffs fall—their high technology electronic and medical equip-

ment should suddenly be big demand. Did you know that the almost-miraculous body-scanners and bra-scanners come from Israel? And that their laser research and expertise goes to peak of scientific discoveries?

Trading with the EEC, going to be a two-edged weapon for Israel will no doubt be flooded with competing imports. From these she will learn much. She will learn some of the skills she lacks here and there, such as good and informative but less costly marketing; such as polishing and finishing; such as higher standards; and such as finding out that this developed nation must learn to stand on its own feet, to live without too many subsidies that conceal the real prices of raw materials and services. Of one thing I am certain. She will learn.

The exhibition at the Craft Advisory Committee gallery in Waterloo Place, London, ends on July 30 and we have as we said on this page last week.

Webb Corbett and Royal Doulton have asked us to apologize on their behalf that we were given the wrong price by their representatives, with whom we checked twice. The lovely crystal goblets are, deservedly, about £39.70 each, not per set of six.



Top: Batwing caftan of pure lightweight cotton to be worn with slit at back or front. Cool, smart, yet a personal tent for changing into swimwear.

Matched bedouin turban can be worn free or with cotton scarf for extra shade. By Rojy for Rikma.

Above: Bloused caftan and tailored caftan with original V-line bodice, shaped bust and sun-protecting or hair-covering hood. By Rojy at Rikma.

Top left: The filmy Bluebird dress picks up the smaller flowers from the Blue Sky swimsuit. By Gottex.

Left: The silky-finish Bahamas sarong worn above the bust or below the waist as a skirt is teamed with a tubed sheath swimsuit of which sales top 100,000 and are still strong. By Gottex.

GENUINE FRENCH CHAMP

FURNITURE

Be it ever so crumbling, the gradual restoring of this city is there for all to see

The death of Venice? No, the patient is on the mend

"Now Venice is dying, and there is no hope of saving her." Thus conclude Stephen Fay and Phillip Knightley, authors of the recently published book, *The Death of Venice*. It all makes extremely depressing reading. Subtitled "The scandal behind the destruction of the world's most beautiful city", the book describes in tones of deepest gloom how industrial pollution is gnawing away not only at the city's facade but also at its very foundations, and yet nothing is being done to catch it; how the hundreds of millions of dollars that were raised in international money markets for the preservation of Venice failed to reach their destination; and how perfectly workable plans for controlling the water levels of the lagoon were ignored and finally abandoned. Anyone wishing to see Venice as we know it, they warn, had better do so now, otherwise it might be too late.

Under the circumstances, a Pegasus three night Summer Break had, it would seem, been made none too soon.

Would I be shocked at the state I found her in? Had she

really deteriorated that much since my last visit two years before? We turned into the Rio di S. Giustina and rumbled our way along some of the narrower canals, and there it all was: the crumbling brickwork, the peeling stucco, the boarded windows, the disused doorways, the shame and stink of decaying beauty. Too sad, we murmured to ourselves: such a scandal. But was it really any worse than the last time I was there?

Had I perhaps been reading too many books? Fortunately, before we had time to think about it all too much, we had emerged into the familiar brilliance and splendour of the Canal di San Marco, and we were much too excited at seeing San Giorgio again, and the Salute, and the Doge's Palace, and the boats scudding about in the hazy evening light, to worry our heads about such things.

I awoke the following morning to brilliant sunshine, and by 9.30 we were sitting outside the recently restored Loggetta at the foot of the Campanile, guide books in hands, preparing to tackle the

prodigies. Disappointingly, the Fort della Carta, the great gateway to the Doge's Palace, had "disappeared" behind a gigantic wooden box upon which was a notice informing us that, inside, Venice in Peril of London were busy at work putting some of the £50,000 gift from the Sainsbury Foundation to good use.

But was it really worth it? We wondered idly. The statues on the roof of San Marco's Libreria Vecchia, although undeniably grubby, looked well enough. The capitals on the columns of the Doge's Palace were certainly in need of some cleaning, but apparently not desperately so.

On the other hand, the remaining three looked as if they were in a state of advanced decay. The floor inside St Mark's was a trifle more uneven than I remembered it—or was it my imagination? At all events, so overwhelmed were we once more by the magnificent mosaics that seem to cover every square inch of the walls and ceiling, that if we had been walking about up to our ankles in mud, I doubt we would have cared, or even noticed.

For the fact of the matter is that the transient visitor to Venice is so enchanted and absorbed by the city from the moment he turns down his first canal until he heads sadly for the airport, that he actually takes in very little. There are no special buildings to be visited or sights to be seen in order to appreciate what the place is all about. Just to be in Venice is to understand it. Whether seated on the terrace of the Gritti Palace, cocktail in hand, watching the sun going down behind the Salute and the gondolas moving like dark shadows along the Grand Canal, or shuffling along an obscure alleyway behind the railway station, or eating lunch in the dappled green garden of the Locanda Montini, or bustling on and off the Number 5 vaporetto, or surveying it all from the top of the Campanile of San Giorgio, you have the sense of being permanently slightly intoxicated so much and you under the spell of the place.

Every street is loud with colour and life. Every corner reveals some fresh delight. Every building has its charm, be it ever so crumbling. Every

church is a wonder, and many are as full of fine works of art as the greatest museums and galleries. Small wonder then that after a day and a half of plodding around this vast living museum one becomes so stunned by so much beauty that even the most carefully and recently restored buildings are virtually indistinguishable from those that have not been touched at all.

A few days before we arrived, a service of thanksgiving had been held in the second oldest church in Venice, San Nicolò dei Mendicanti. At a cost of £100,000—half of which came from Venice in Peril and half from the Italian Government—the floor, ceiling, and lower walls have been rebuilt, a damp course has been inserted, the paintings, wooden decorations and statues and organ have been restored.

What could so easily have become a closed wreck is today one of the prettiest churches in all Venice.

Sunday is Torcello day when half the tourist population of Venice, it seems, rushes across the lagoon to the little green island for a deliciously lazy

lunch at the famous Locanda Cipriani, a quick bash round the grassy square and the cathedral, and home again in the cool of the later afternoon. Torcello is a perfect example of how impermanent a city can be which is built in a lagoon. For centuries it flourished, and by the sixteenth century it had 20,000 inhabitants. Today it is almost deserted, and I daresay that if it were not for the restaurant it would have disappeared totally by now.

Yet how many visitors miss the whole point of Torcello, seeing it as merely another thing to do during a Venetian holiday? I freely admit that, had I not been told that Venice in Peril's next task is the restoration of the twelfth century mosaics at the east end of the cathedral, I would have gone away thinking them to be in pretty good shape.

But then on our third and last day something happened that made us completely rethink our hitherto lachrymose point of view. We were invited by the President of Venice in Peril, Lord Norwich, to witness a closed-gate restoration work that is taking place at the Fort della Carta. It

took only a few minutes of clambering up and down steep wooden ladders and eyeball to cyeball confrontations with Doge Francesco Foscarini, winged lion of Venice, and justice, to realise not only how much is being done to restore and preserve Venice from the combined assaults of wind, salt, pigeons and the noxious vapours from the nearby industrial complexes of Mestre and Porto Marghera, but more importantly just how serious the effects have been over the past 30 or so years.

And yet, despite the enormity of the task, the ardour of the vision, the slowness of the authorities, the gloominess of Messrs Fay and Knightley, I came away from the place feeling a great deal more cheerful than before I arrived. I simply cannot believe that Venice will be allowed to die. Neither can Lord Norwich.

"In the end it comes down to a matter of opinion," he said as we stepped out into the heat and bustle of St Mark's Square. "I am an optimist. If I were not, I should not be doing what I am doing. Certainly St Mark's will soon have

to be closed—possibly or three years—to floor repaired. But I done. Until recent particular part of the subsidising in the rate of 2½ inches a year. However, now that there is still an syphoning fresh water beneath the lagoon aqueducts instead, the been reduced to a metres. I know the Government have been building a barrage a month of the lag they'll do it in. Already they have a great deal of money restoration work. "Without their could never have seen Nicolò as we did. To 50 projects have been completed. Of course, the painfully slow. It does more than a weekend that there is still an amount to do. The Venice are, always be and always will be Venice. But then so, for is Venice. Christopher M

George Hutchinson

The Chancellor the Tories will need when they win the coming election

With flaming June behind us, the promise of July and August lying ahead and a stirring autumn in prospect, this, I suggest, a time for renewal, resolution and hope. When economic conditions, with all the attendant social strains and domestic hardships, are as bad as they are today, it is easy to surrender to despair, to lose faith and give way to apathy. There is no need for that, understandable though the tendency may be. Only a spirit of defeat can defeat the cause of a nation. To begin with, I would invite you to consider our immense array of national assets, both material and moral: the best of our manufacturing industries and financial institutions; our universities and other seats of learning; the medical schools; our continuous record of accomplishment in the field of scientific research and in the arts.

With assets of such quality, and short of war, only the grossest mismanagement could reduce a country to ruin or the threat of ruin. Properly employed, they are a guarantee of solvency and success. But they cannot be properly employed without a programme designed to serve the national interest by protecting and restoring the financial and thereby the political integrity of the state.

Fortunately, the day of change is no longer distant—change of government, change

of policy, change of mood, change of outlook. Hence my belief that there are good grounds for optimism. The Labour administration cannot be expected to survive the present temper of the country, which is one of dissatisfaction, of hostility and frequently of contempt.

To my mind, the Lib-Lab pact, which is simply a conspiracy to stave off a general election, is unlikely to gain the contracting parties more than a few months' respite. It is not a natural alliance but a misalliance, and misalliances, as we all know, are liable to end in divorce, often accompanied by rancour and recrimination. The weight of probability is now heavily on the side of an early election, whatever the Prime Minister may pretend to the contrary.

When the test comes he will be defeated. It would be fanciful—perverse—to think otherwise when the signs and indicators are all there for anyone to read.

Mrs Thatcher will then enter Downing Street. As Prime Minister her first duty will be to repair and invigorate the economy, damaged not only by the excesses of socialism but also by the last Conservative government, to which she belonged. In part, she will do so by attacking the volume of public expenditure, for this is

essential if the Budget is ever again to be balanced, although not enough in itself. There will have to be other measures as well, measures of encouragement to the private sector of industry and to the individual. A critical responsibility will second only to her own, will therefore lie with the Chancellor of the Exchequer. Who is to hold this vital office?

Sir Geoffrey Howe, by informed consent one of the wisest and most admirable people in public life, is the shadow Chancellor. He may perhaps exchange the shadow for the substance; perhaps, perhaps not. If anything, he is a "natural" Home Secretary. Someone of more "definite" convictions in the sphere of economic and financial policy, someone of "tougher" commitment, someone less "accommodating" as it were, may be preferred at the Treasury.

Sir Keith Joseph may be thought to fit these requirements. Although slightly eccentric on occasion, he is a man of profound intellectual capacity and deep-seated beliefs. He is also a man of good will and humanity—sensitive, even touchy, yet pre-eminently a voice and representative of reason.

Not all Tories would wish to see him at the Treasury, however. Some are aghast at the vision of Sir Keith as Chancellor: too severe, they say, a

monetarist "—as if this were a capital charge. What is wrong with being a monetarist if it means a determination to pay our way and balance the Budget?

Keith Joseph is also a man of strong opinions. Thus he has written a foreword to an important little book by Mr Robin Pringle, *The Growth Merchants*, published by the Centre for Policy Studies at £1.55. Mr Pringle is the editor of *The Banker*. In good part, his book is rather in the nature of a philippic—an erudite and brilliant one—against the Heath government, which he accuses of imprudence and worse in its (futile) pursuit of growth.

Sir Keith was a member of that government. Yet he is prepared to admit its errors and failures: "Growth has almost passed from public debate. It is more widely understood now that growth is not properly an objective so much as a by-product of rational policies. . . . It is all too easy as we saw in 1972-73 when I was in part responsible to be carried away by short-term pressures that will, if general economic policies be correct, solve themselves. Should we make that sort of mistake again, then nothing will save us from full-blown currency collapse." He has said much the same thing in the course of several public speeches.

If the Heath government had

flown the monetarist flag, we would be in healthier shape today (and that government might still be in office). As the wise and eloquent old City banker, Mr Walter Salomon, was telling the Radcliffe Committee 20 years ago: "One thing is necessary above all—a new respect for money and the ethical principles associated with economic and monetary policy. Inflation must come to be regarded as morally wrong and politically dangerous. Unsound money means deceit, misrepresentation, breach of contract, injustice and in the end impoverishment, chaos, revolution, tyranny and dictatorship. It is a primary responsibility of government in a free society to maintain a trustworthy monetary unit of account and medium of exchange. If it cannot do that, it has abdicated."

He was speaking in similar terms this year at the annual general meeting of the Rea Brothers, of which he is chairman: "In a free society there should be no inflation. For too long, both sides of industry were in unholy alliance. Management thought a little bit of inflation would increase profits, while labour was persuaded that a little bit of inflation could maintain employment. It was as though a little bit of pregnancy need not lead on to bigger things."

We need not pay overmuch attention, I think, to the notion that Sir Keith Joseph's monetarist principles would lack popular approval or support. His detractors do not seem to understand the measure of public anxiety as the cost of living rises day by day and inflation continues to savage us. Some, I suppose, are too well-off to notice, and if only on that account their views may be disregarded.

Then it is said by his critics that he is a rigid, unfeeling, right-wing doctrinaire. He is nothing of the sort. Those of us who know him find the description grotesque. His term as Secretary of State for Social Services was marked, for example, by a radical improvement in the lot of the disabled; and I recall that he once received a standing ovation as a minister of either ruling party ever had, at an annual general meeting of the Child Poverty Action Group, most of whose members would probably claim Labour allegiance.

In both Sir Keith Joseph is a man of sensitivity and compassion. At the head of a huge and, as one might say, very "human" department, he was greatly respected. He might not be the "right" Chancellor. He would not be the "wrong" one in terms of conviction, policy or intellectual ability.

© Times Newspapers Ltd, 1977



Illustration by E. H. Shepherd from A. A. Milne's *When We Were Very Young*, published by Methuen.

After Kitty, put the blame on Sailor Lad

There was always a depressing significance for the emotional and philosophical in that the great Alderney, in that sultry, exclusive voice, asked mournfully of her audience: "Where have all the flowers gone. . . ?" More to the point today, in one of the oldest possessions of the British Crown, is where in the world has the Alderney cow gone?

Pictorial and written evidence of the Alderney cow can be found occasionally, and local farming veterans still talk glowingly of her with an unashamed dab at a moistened eye, for by all accounts she was a comely little animal, darker and smaller than the Guernsey or Jersey, a prolific giver of rich milk, and the object of admiration from rich American ranchers who, just before and after the First World War, would pay up to £110 for a first-class specimen without raising an eyebrow.

The last tangible evidence of the Alderney is a photograph in the possession of a retired island farmer, Mr Edward Burden, whose Kitty III of the Old Mill swept the board at the Royal Alderney Agricultural Society's show in 1926 to win the King's Cup and Champion's Cup. But from about that time all knowledge of the breed becomes shrouded in uncertainty and speculation.

Her credentials were undoubtedly impeccable, for in 1801 George Culler set the seal upon her confined and cosseted upbringing by recording in his publication *Observations on Livestock* that: "The Alderney breed is only to be met with about the seats of our nobility and gentry, upon account of their giving exceedingly rich milk to support the luxury of the tea-table."

For some years after the First World War the shipment of Alderney cattle to America continued; but with an extraordinary suddenness the interest of the regular buyers from the New World waned, fell in publication and eventually ceased altogether. But Alderney farmers who were boys at the time are in no doubt as to the cause of such widespread disenchantment.

"She was a beautiful cow and the Americans liked her," says one. "But there was a particular buyer who reckoned we could improve the breed by crossing our Alderney with a Guernsey bull. Two bulls, Sailor Lad and Prickly Noble were brought in from Guernsey," and that, believe, was the beginning and end of our cow."

Little was heard again of the Alderney until September 1944, when a correspondent of the *Farmer and Stock-Breeder* reported that although he could find no pure Alderney bulls in Britain, he had found a scattering of females among some pedigree Guernsey herds.

"The largest gathering of undiluted Alderney cattle which I have been able to trace," he wrote, "is incorporated in the Pyrford herd of Lord Iveagh. . . . Twelve females were headed by a remarkable matron imported from the island as a calf, Beauty of Val Falsion."

And so the end of the trail would appear to have been reached but for a dramatic find on a deserted beach in Alderney a few years ago which gave fresh impetus to the searchers' flagging spirits. Washed up by the tide lay an empty carton on which were the words "Alderney Cream—Chicago."

A rapid exchange of correspondence ensued with the

United States Department of Agriculture, but far from creating any new substance, the search came abruptly halt when milk company men a herd of neys could be found cago or, for that matter, of the six New England. To make for even confusion, the Master Commissioner of Food Agriculture gave the li William the Conqueror solicited and not also accurate interpretation of own history, by re. "When Channel Island were first exported the collectively called Ald because vessels plying be the Channel Islands and Britain cleared from the of Alderney. . . . There never been a distinct known as the Alderney."

The Islanders, of c better Brigadier Cosley, for instance, was president of the Royal Society Agricultural Socie many years and whose ory, spanning more th years, probably tras even that of the comm has lived in Alderney boyhood, and can breed back to the 1890 century.

"The exceptional qua Alderney milk and the yields of the Alderney were established over years," he recalls. "The a striking difference appearance and con between the Alderney a Guernsey." And if it w for the fact that the old ny herd book was des with all other island t during the last war by t man forces of occupat would have relished the of providing such addit disputable evidence.

Dr George Cooper, Albans, who has carri his own investigations i wanderings of the Al cow and reported soe dependently that the may have been extinc not, nevertheless, went far as to preclude the lity that "there may isolated pocket of the cing breed somewhere world", although, he ad might be but a pious h

While the searchers and prepare to broader inquiries (there is eve that some of the i matrons may have wand far afield as Austral New Zealand), many memories of their re reading will be it recall that the gentle, all-yearling Alderney pass the pen of A. A. undetected or unsung. In his collection of published in 1924 und title *When We Were Young*, Milne recog breed when recounting memorable breakfast-ta versation between a kid his queen over the fac there was no butter f toast. For the uninitiated

The King asked The Queen, and The Queen asked The Dairymaid. "Could we have some but The Royal slice of bread The Queen asked The Dairymaid, The Dairymaid Said, Certainly, I'll go and tell The cow. Now Before she goes to bed The Dairymaid She curtsied, And went and told The Alderney: "Don't forget the but The Royal slice of bread The Alderney Said shepher: "You'd better tell His Majesty That many people nowadays Like marmalade Instead."

Frank Em

© Times Newspapers Ltd

The case for the lost Psyche

If, as I have claimed, Lot 2422 in the Menton sale is Fragonard's lost painting of Psyche showing her sisters the presents given to her by Cupid, it is not only a milestone in Fragonard's career but a document of exceptional importance for the understanding of art patronage during the reign of Louis XV.

For Psyche was the showpiece which Fragonard painted in the newly-founded Ecole des Elèves Protégés to be shown by M de Vandeure, the artistic director of France's Louis XV at Versailles. In other words, his future career depended upon it.

Now Mr D. M. White, of the Department of Italian Language and Literature at Leeds University, has written to *The Times* proposing that the subject of Lot 2422 is not Psyche, as all but Diana and Callisto, or more specifically, Diana raising at Callisto for breaking her vow of chastity.

Like Professor White, I have seen many representations of Diana and Callisto, but none—not even the examples which he cites in support of his case—bears more than a cursory iconographic resemblance to Lot 2422.

Diana—the original Outdoor Girl—is always shown out of doors; Lot 2422 is set in a palace. Diana wears a crescent moon; no such diadem, or other lunar emblem, figures in Lot 2422. Callisto is always shown conspicuously pregnant; the two standing women in Lot 2422 might still be virgins. Diana rounds on Callisto with gestures of imperious fury; the central figure in Lot 2422 reclines languidly, her face the epitome of sweetness. Diana and her nymphs stare, outraged, at Callisto's belly; the standing figures in Lot 2422 stare, astonished, at some rich stuffs which the servant girls are lifting.

Professor White writes that "the quiver . . . in the foreground does not belong to Cupid", but this claim would only make sense if the palace were Diana's and not Psyche's; and, as I have said, Diana is not in a palace but out of doors.

Finally Professor White identifies the hideous hag hovering above the two standing women as Discordia. Apart from the fact that Discordia is

never included in Diana and Callisto pictures, the figure is not Discordia but Invidia, as described in Ripa's *Iconologia*—the principal iconographic source-book for the seventeenth and eighteenth century painters.

Psyche showing her sisters the presents given to her by Cupid is, admittedly, a rare subject in painting, and therefore hard to recognize. In fact, I believe it was first created by Boucher (Fragonard's master) until shortly before he painted his own version of it), in response to a letter from Bacheumont urging him that "there is enough in (Psyche's) story to make not only several paintings, but a whole gallery. . . . You would paint it, if I were Louis XV".

Fragonard's early work is closely connected with ballet and opera. Coréus at Callisto, his marcelled de reception painted in 1756 for the Académie, depicts an episode in Desroches' opera of that name. Curiously enough, Fragonard can never have seen it, but in all probability he attended a performance of Bacheumont's ballet, *Les Amours de Callisto*, at the Académie in Paris in 1751.

Is it possible that Professor White's Italian studies have left him no time for reading Latin or French? If he had known that Invidia was practically lady-in-waiting to Psyche's sisters:

Ce méchant couple amenoit avec lui La curieuse et misérable envie . . .

and if he had read Apuleius, that, on leaving Psyche's palace, one of the sisters had asked the other whether she had ever seen (inter alia) "such cupboardful of embroidered dresses".

He might have been helped, too, by some acquaintance with French culture in the century which preceded the emergence of Fragonard's genius. Again and again we find Psyche's story retold by French poets, painters and musicians: by Benardes, Molière, Corneille, Quinault, Lully, La Fontaine, Natoire and Boucher—to name only the most famous.

But the story of Diana and Callisto, a story of female unchastity, published, held no magic for their hedonistic age.

As to my attribution of Lot 2422 to Fragonard, I have written it accepted by every scholar whose opinion I respect. I have also, from time to time, found Invidia hovering far above my head.

David Carriv

A leader with his feet on the ground in Africa's most expensive capital



President Bongo: a taste for French suits and platform shoes.

African heads of state who gather in Libreville today for the fourth summit meeting of the Organization of African Unity will find themselves in what must be one of the biggest and most costly building sites in Africa, if not the world.

Libreville, capital of the off-kill West African state of Gabon, is a boom town in every sense of the word. At the international conference centre where the summit takes place, Yugoslav contractors have been working 24 hours a day to get the complex ready for the conference. Plasterers, painters and glaziers were hard at work until the last minute in a number of international-class front hotels erected specially for the summit. Each day several hundred more yards of dual carriageway were laid between the town centre and the conference hall.

According to some estimates, Gabon is spending about £330m on projects associated with the OAU summit. A further £165m (perhaps more) has been invested in a new palace for Gabon's leader, President El Sall Omar Bongo. The palace is the last word in modern luxury, with acres of marble, gold-plated trimmings and automatic doors which will open at the mere vibration of one of President Bongo's Cuban-beeled shoes.

The signs of conspicuous consumption are everywhere to behold. President Bongo has just equipped himself with two Cadillac security vehicles (as used by United States Presidents) at £70,000 each, as well as six armoured-plated secret service Cadillacs, 15 Mercedes cars and an unspecified number of Rolls-Royces.

Planed loads of luxury (and not-so-luxury) goods are flown in from France every day and sold at astronomical prices. Libreville is reputed to be the most expensive capital in the world after Caracas, a claim which few people here would dispute. A small can of beer costs the best part of £2 and the standard charge for a cold buffet lunch at the conference centre is almost £9. As one Rhodesian nationalist, who attended last year's Geneva talks commented: "Geneva was a pauper's paradise compared with this place."

The cause of Gabon's lavish

spending and the extortionate prices is, of course, oil. Although a small producer compared with Nigeria, Gabon's production of less than one million has the highest per capita income in sub-Saharan Africa (about £1,300). Last year the country's revenues totalled about £660m, of which the lion's share came from oil, although the country also produced significant amounts of manganese and uranium.

Gabon's mineral-based wealth has helped to make it one of the most politically stable and "moderate" countries in Africa. Apart from an attempted coup in 1964 (quickly dealt with by French military intervention), Gabon has not suffered the sort of political upheavals which other former African colonies have undergone since gaining independence.

President Bongo, who came to power 10 years ago following the death of the country's first president, Leon Mba, rules Gabon with a mixture of authoritarianism, jargon and a dash of nepotism. Initially he imprisoned a number of his poli-

tical opponents, but they have since been released and given well-paid government posts or hold jobs with the country's single political party. He has surrounded himself with young, hand-picked ministers and advisers while at the same time ensuring the loyalty of his armed forces by placing relatives in key positions.

Despite his diminutive stature and his taste for flashy French suits and platform shoes, President Bongo has proved himself a shrewd and effective leader. Immensely hard-working, he has developed a pragmatic, undogmatic approach which mixes western-style capitalism with African socialism. His avoidance of any serious ideological commitment has meant that Gabon now enjoys diplomatic relations with Russia and China while at the same time maintaining commercial relations with Rhodesia and South Africa. "President Bongo's" thoughts have recently been published in a "Little Green Book". In it he explains that his philosophy of "democratic and concerted

Nicholas Ashford



New Printing House Square, London, WC1X 8EZ. Telephone: 01-837 1234

TAKE EUROPE SERIOUSLY

There is nothing wrong in principle with publicly debating whether Britain has gained or lost by joining the European Community. There were debates before and during the negotiations which led up to membership, and before the referendum which confirmed it. The issue is one of the most important the country has ever faced and it cannot now be excluded from debate for the sake of political convenience. The talk of leaving the Community is not wholly taboo. If overwhelming evidence were ever to accumulate showing that it was in Britain's interest to leave it would be perfectly right to debate doing so. Continuous objection to the costs and benefits of membership is therefore unavoidable and proper.

This is not to say that it may not do harm. As Mr Roy Jenkins said in Glasgow yesterday, have those who are seeking to re-open the debate on British membership considered "how damaging their attitude is to the interests of the Britain of which they are the guardians"? Britain's credit in Europe is not high. We are regarded as inefficient, insular, and unsteady in our commitment to Europe. We cannot afford, in Mr Jenkins's words, to "float around like a feather blown by every wind of political opportunism". Britain has joined the Community and it is under some obligation to show itself a reliable and committed member. Anyone who participates in a debate on whether Britain's national interest is served by membership of the Community must also consider whether the national interest is also served by

this type of debate at this particular time. The debate does not take place in a vacuum. It is a political act in itself and it has political consequences.

The real trouble is that the debate in its present form is badly contaminated by ulterior motives. For many it is not a search for truth by men with open minds but an attempt to gain political advantage, to foment and then make capital out of a public mood, to justify past attitudes and confirm long-held beliefs. It is, among other things, a symptom of the divisions and instabilities within the Labour Party. It therefore damages the party and the Government and leads towards the sort of international damage outlined by Mr Jenkins.

The left-wing position is also irresponsible in so far as it raises questions of cost which cannot yet be answered with any certainty, and proposes action which is totally out of the question. It therefore fosters unreal discussion at home and unreal fears abroad. Britain's membership of the Community is not, and cannot be, seriously in doubt now or in the foreseeable future. Whatever the fluctuations of public opinion there is not the slightest sign of a political consensus for discussing withdrawal. Very few even of those who believe the initial costs have outweighed the benefits would argue that withdrawal would outweigh the costs. The consequences would be of a magnitude which the proponents of withdrawal have not even begun to measure. Many of them talk as if the only thing at issue were the price of butter.

The correspondence which has been running in this newspaper has shown how easy it is to

juggle figures and how difficult it is to distinguish what has happened since joining the Community from what has happened because of joining it, and even more to work out what would have happened if Britain had not joined. Prices would have risen anyway. Britain's competitive position would have worsened anyway. Public opinion would have soured anyway. The protectionist alternative was rejected primarily because it was seen to be against the long-term national interest, not because it was forbidden by the Community. If British industry has not yet risen to the challenge this is not because of membership, and when Professor Kaldor speaks of the less successful members of the Community as the "victim nations" he reflects an unfortunate aspect of the national psychology.

Of course there have been costs, and it would be foolish to deny them, but they have not yet been shown to outweigh the potential benefits of being part of a community which, in spite of all its disappointments, imperfections, and urgent need of reform, nevertheless represents the best long-term hope for European civilization. The fact that new countries still wish to join is technically awkward but politically significant and encouraging. The deepest purpose of the Community was always political and it still is. This is not a reason for suffering its imperfections in silence, paying more than necessary for food, or failing to defend the national interest wherever necessary, but it is a reason for being serious and consistent about Britain's solemn commitment to membership. To debate an issue is one thing, to exploit it another.

A definition of picketing

From Lord Roberts of Woldingham
Sir, Since the latter half of the 1960s, when I was a member of the Royal Commission on Trade Unions, I have consistently advocated both in public and in private a more precise definition of "picketing".

Anyone involved in industry and the trade union movement could see well in advance, without some more precise definition, so-called peaceful picketing becoming mob rule and intimidation. The only result so far has been that the right to picket at a person's home has been withdrawn.

Only a precise definition can prevent the ugly scenes and violence that now take place, and at the same time provide an opportunity for the people in dispute to enjoy their rights within the law to peacefully persuade others to join those in dispute.

A simple amendment to the clause in the 1974 Act defining picketing, so as to provide that picketing may only be performed by persons at their place of employment or their former place of employment, to enable dismissed strikers to also picket, would have very obvious advantages. It would enable peaceful picketing to actually take place, it would assist the police to perform their function, and prevent the "rent-a-picketer" and others from turning peaceful picketing into mass intimidation.

It would seem to me that this would allow the trade union movement, the Secretary of State for Employment and the police to perform their respective functions in a much cooler atmosphere than is presently the case, with possibilities of agreed settlements in a much speedier time.

I am, Sir, faithfully,
ROBERTS,
House of Lords,
July 1.

The guardsman case

From Colonel R. S. Langton
Sir, Many years ago as a young Ensign, I was required to appear at the Central Criminal Court to provide "character evidence" and

record of conduct in the case of a soldier in my platoon. He had been convicted of the serious crime for which he was being charged. He was so convicted and defence counsel having delivered his "plea of mitigation" I was called into the witness box to testify as was required by King's Regulations. This did not make me feel that the man was not required back in the regiment nor the Army and producing "record of conduct". He was duly sentenced and with great relief I started to leave the Court, when I was summoned before the Judge. He asked me to give evidence as to what I had said in my post-service (as it was 1940 and I was in uniform, it might have been obvious); did I not therefore, have more valuable things to do for the country than to travel miles to give evidence that was quite obvious and could have been said in my post-service. I was too frightened to say that there was something called King's Regulations, manual of military law, etc, which I understood required my presence (anyway I was not given the chance) and with a feeling of personal gain, I returned to base and reported what had happened. No one cared very much, naturally. Many years later as a commanding officer, a young soldier of mine was convicted by a magistrates court of stealing a bottle of milk off a doorstep and his way back to barracks one night. He was sentenced to six months imprisonment which he served in an exemplary manner and as his release came near, his family (connected very closely with the regiment for some years) asked whether he could be reinstated. Our padre, by chance was a friend of the prison chaplain, the prison governor wished to help and so we put a case together. It was a difficult fight but finally "we" won. That soldier (with one stolen bottle of milk) returned to base and was not advised by those paid to do so, of the Queen's Regulations concerning matters of this kind.

I am second to none in my respect for the judiciary, but in this case I am bound to say that I wonder.

Yours sincerely,
ROLAND S. LANGTON,
Dial House,
Peppard Common,
Henley-on-Thames,
Oxfordshire,
June 23.

Animals and infra-red

From Professor A. R. Ubbelohde, FRS

Sir, At this time of year baffled fishermen on many rivers and lakes sometimes wonder why even the most skillfully constructed artificial flies elicit no response from trout or salmon. Of course this may be part of the rhythm of nature, but quite possibly the tree frogs of America (to which your article of June 15 refers) provide a specific clue.

As your article states, snakes and birds (and presumably also fishes) generally have their maximum colour sensitivity much further towards the red than humans. To achieve good camouflage the natural colouring of the frogs must match leaves both in the visible spectrum of light and in the infra-red. And unless the colouring of artificial flies is examined over the whole spectral range, their appearance may be ludicrously different to fishy eyes from what they purport to imitate. With suitable equipment infra-red examination is not difficult.

I am, yours faithfully,
A. R. UBBELOHDE,
Platts Farm,
Burwash,
Sussex,
June 23.

Voting in the European elections

From Mr Schelto Patijn

Sir, The European Assembly Elections Bill published by the British Government on June 24 includes a curious proposal for the layout of the ballot paper for the regional list system: political parties are placed vertically and in alphabetical order; candidates horizontally and in alphabetical order.

In the Netherlands, where we put the candidates in a vertical list under the name of the party, we find that the first name on the list usually gets about 98 per cent of all the votes cast on the list. The nearer you are to the top of the ballot paper, the more likely you are to be elected.

Especially in view of the novelty and complexity of this form of ballot for the British elector (faced with in some proposed regions, 50 or more candidates, I expect that many voters would plump for an early, if not the first name on the paper).

So the proposed ballot paper layout would favour first, a candidate with a party label with an "A" in its name (for example, the Anti-Agricultural Policy Party) which would then get the top place on the list of political parties; and secondly, a candidate with a name like Aaron Aardvark who would take the top left-hand position on the first line of the ballot paper.

It seems to me that Britain would do better to adopt the Dutch system, which takes the following form:

1) the party names are placed

Labour Party Conservative Party Liberal Party Independent

1. Robinson 1. Swift 1. Clark 1. Lawton

2. Black 2. Jones 2. Williams

3. Jackson 3. Phillips 3. Benson-Harrison

4. Simpson 4. Knott 4. Masters

5. Black 5. Parker-Partison 5. Green

June 26.

The officers and men of the RAMC were there right through to the bitter end. They worked like Trojans day and night doing their job under the most harrowing and hazardous conditions.

The film does not say it—but I do.

The Royal Army Medical Corps did well at Arnhem.

Yours faithfully,

GRAEME WARRACK,
Colonel, Assistant Director of Medical Services, First Airborne Division, September, 1944,
The Legation,
Humble,
East Lothian.

Striking teachers

From Professor John Wain

Sir, Regarding the school action of the NUT, which has closed 100 schools in Oxfordshire: this morning I heard on national radio a statement by Brigadier R. S. Streetfield, Chairman of the Oxfordshire Education Committee, in which he said that the teachers concerned ought to think more of the effect on the children and less of their own jobs.

I wonder how much personal contact Brigadier Streetfield has with the teachers whom he is, in my opinion, slandering by talking in this vein. Here is one parent's reaction to the situation.

One of my sons is a pupil at Summerdown Middle School. On June 18, when the strike was already imminent, I went to the school fête. Many teachers were there from morning to night, constructing and running side-shows, playing games and competitions, winning first prize out of course unpaid, to raise funds for the school.

If the cuts as proposed by the county council are put into effect, there will be at this school:

no music teacher;

no French teacher until the second year;

25 per cent less remedial teaching of reading, always an essential back up to the ordinary work of a school;

larger classes;

less cleaning and maintenance, so that the school and grounds will inevitably become grubby and depressing. It is this situation that has driven the teachers to strike action, and not, I am convinced, any selfish concern with their own prospects of employment.

Yours, etc.

JOHN WAIN,
Professor of Poetry,
Oxford University,
17 Wolvercote Green,
Oxford.

Bunny Austin

From Mrs M. H. Brooking Clark

Sir, Mr Michael Thornton's letter (June 28) about Bunny Austin's exclusion from the All England Club is of great interest. Last week a film in honour of the centenary of this Club was shown on television, and I was very surprised to see that Bunny Austin was not included amongst the many great tennis stars of the past portrayed in this film. He was indeed one of the great personalities of the Third, and besides his wonderful record in 14 championships, he will surely also be remembered as the first player to appear on the Centre Court in shorts, creating quite a sensation in those days.

We may over the years forget exactly how each of the stars performed on court, but we certainly do not forget Suzanne Lenglen's bandeau, Bunny Austin's shorts or Gussie Moran's frilly pants.

Like Mr Thornton, I sincerely hope that the All England Club will restore Mr Austin's membership.

Yours sincerely,

RITA BROOKING CLARK,
Dinder House,
New Wells,
Somerset.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Film portrayal of Arnhem

From Colonel Graeme Warrack

Sir, I saw the Scottish premiere of the film *A Bridge Too Far* in Aberdeen on Monday evening (June 27).

I write to express my dismay at the implication at the end of the film that the officers and other ranks of the RAMC were a spent force.

One scene shows large numbers of untrained wounded sitting in a field singing "Abide with me". The other scene shows Lord Olivier as a Dutch doctor, playing the part of a civilian envoy to the German HQ on behalf of the wounded of British 1st Airborne Division.

Both scenes are completely false.

Over 50 doctors and 500 other ranks of the Royal Army Medical Corps landed with the Division. Regimental Aid Posts were scattered throughout the Oosterbeek area—Dressing Stations formed a Medical Area to the south of Divisional HQ. They functioned well through these terrible days, saving many lives and limbs.

The last scene is a complete travesty bearing no relation to real life nor to Cornelius Ryan's description in his book. I did, in fact, try to get a Dutch doctor to accompany me to General Bitttrick's HQ but Captain Egon Skalka, the German MO on the spot, said "this is a military mission", and he was right.

This very impressive, extremely expensive and brightly starred film is now launched. Very original participants have to realise that it is a commercial proposition and NOT a documentary although many of the public will view it in this way.

Where do truth and poetic licence part? Was this a case of "A Star Too Many"?

The officers and men of the RAMC were there right through to the bitter end. They worked like Trojans day and night doing their job under the most harrowing and hazardous conditions.

The film does not say it—but I do.

The Royal Army Medical Corps did well at Arnhem.

Yours faithfully,

GRAEME WARRACK,
Colonel, Assistant Director of Medical Services, First Airborne Division, September, 1944,
The Legation,
Humble,
East Lothian.

Striking teachers

From Professor John Wain

Sir, Regarding the school action of the NUT, which has closed 100 schools in Oxfordshire: this morning I heard on national radio a statement by Brigadier R. S. Streetfield, Chairman of the Oxfordshire Education Committee, in which he said that the teachers concerned ought to think more of the effect on the children and less of their own jobs.

I wonder how much personal contact Brigadier Streetfield has with the teachers whom he is, in my opinion, slandering by talking in this vein. Here is one parent's reaction to the situation.

One of my sons is a pupil at Summerdown Middle School. On June 18, when the strike was already imminent, I went to the school fête. Many teachers were there from morning to night, constructing and running side-shows, playing games and competitions, winning first prize out of course unpaid, to raise funds for the school.

If the cuts as proposed by the county council are put into effect, there will be at this school:

no music teacher;

no French teacher until the second year;

25 per cent less remedial teaching of reading, always an essential back up to the ordinary work of a school;

larger classes;

less cleaning and maintenance, so that the school and grounds will inevitably become grubby and depressing. It is this situation that has driven the teachers to strike action, and not, I am convinced, any selfish concern with their own prospects of employment.

Yours, etc.

JOHN WAIN,
Professor of Poetry,
Oxford University,
17 Wolvercote Green,
Oxford.

Bunny Austin

From Mrs M. H. Brooking Clark

Sir, Mr Michael Thornton's letter (June 28) about Bunny Austin's exclusion from the All England Club is of great interest. Last week a film in honour of the centenary of this Club was shown on television, and I was very surprised to see that Bunny Austin was not included amongst the many great tennis stars of the past portrayed in this film. He was indeed one of the great personalities of the Third, and besides his wonderful record in 14 championships, he will surely also be remembered as the first player to appear on the Centre Court in shorts, creating quite a sensation in those days.

We may over the years forget exactly how each of the stars performed on court, but we certainly do not forget Suzanne Lenglen's bandeau, Bunny Austin's shorts or Gussie Moran's frilly pants.

Like Mr Thornton, I sincerely hope that the All England Club will restore Mr Austin's membership.

Yours sincerely,

RITA BROOKING CLARK,
Dinder House,
New Wells,
Somerset.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

Yours faithfully,

FLORA JACOBS,
14 Holland Park Road, W14.

Writing to 'The Times'

From Miss Flora Jacobs

Sir, There is an alternative other than suicide (Letters, June 22, June 30) and actually posting a letter to 'The Times'. Write the letter but don't send it. That not only helps get it off your chest, but saves postage both ways.

LAING
LOCAL
OR NATIONAL
CONSTRUCTION SERVICE

Advertising rules altered for tobacco substitutes

By Patricia Tisdall
Tighter restrictions on advertisements for cigarettes containing substitute tobacco were announced by Mr David Ennals, Secretary of State for Social Services yesterday.

The new cigarettes, which are backed by an estimated £5m worth of advertising, went on sale for the first time yesterday after approval by the Independent Scientific Committee on Smoking and Health (the Hunter Committee).

Replying to criticisms from Mr Michael Daube, director of Action on Smoking and Health (ASH), Mr Ennals said that future advertisements would have to specify the proportion of substitute material to tobacco in the cigarettes.

Also, any references to the Hunter Committee would have to be eliminated to avoid any implication that the cigarettes had been endorsed as safe.

Advertisements for the substitute material itself are not covered by the new code of practice on advertising.

One of the two brands of substitute on sale, has already generated considerable controversy behind the scenes.

Gallagher, whose Silk Cut brand holds over 50 per cent of low tar cigarettes, has been accused of using the code to circumvent the provisions of the new code.

The Advertising Standards Authority, which is administering the code, ruled that advertisements were for an ingredient of cigarettes and so did not have to carry a health warning or comply with other provisions.

Mr Peter Thompson, director of the ASA, said yesterday that a compromise had been reached between the two sides.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Peter Thompson, director of the ASA, said yesterday that a compromise had been reached between the two sides.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

Mr Thompson said that the ASA had agreed to accept the code as it stood, but that the provisions of the code would be subject to the same restrictions as other cigarette advertising.

THE TIMES

BUSINESS NEWS

PERSONAL
investment and
finance,
pages 16 and 17

Further £400m of variable rate stock launched by Government

By John Whitmore
Financial Correspondent

The Government has followed up the success of its first variable interest rate stock issue by launching a £400m issue of similar stock.

Variable Rate Treasury Stock 1982 will be made available to the market through the Government Broker from Monday. It matures some six months later than the existing stock—in June, 1982—otherwise the new stock is identical to the £400m issue made at the end of May and sold out by early last week.

It will carry an interest rate linked to the weekly Treasury Bill rate plus half a per cent.

That the monetary authorities have decided to offer a new gilt stock at this particular moment is not a total surprise, Monday brings the final call—£57m—on Exchequer 9½ per cent 1982.

Thereafter, the authorities are expected to announce a new £400m issue of Treasury 9½ per cent 1982.

So, unless the long end of the gilt market recovers to a level at which the stock becomes attractive, or unless the Government Broker is prepared to drop its selling price, there is clearly a case for the authori-

ties having an additional weapon in their armoury.

That said, some brokers wonder whether a further issue of variable rate stock is necessary the right kind of issue to make at this stage.

If the new stock is largely bought by the banking sector (including discount houses), as the first issue is believed to have been, the effect on bank deposits, which form the basis of money supply, is negligible.

Only if the non-bank private sector buys the stock is money supply reduced, institutional and personal investors having to reduce their bank deposits to finance their purchases.

The authorities, however, do not seem to be especially worried by this criticism. They are simply taking the view that when the banking sector buys the new stock it switches out of other stocks, such as conventional short-dated gilts. To the extent that these are bought by the non-bank private sector, the ultimate effect on money supply control is the one originally sought.

Nationalization compensation: The Treasury announced yesterday that it is issuing a tranche of Treasury 9½ per cent 1982.

The stock is being issued at £98½ per cent as compensation to holders of the ordinary and 10 per cent preference shares in Robb Caledon Shipbuilders and to holders of the 4½ per cent preference shares in John G. Kincaid. Both companies were yesterday vested in British Shipbuilders.

For the 1978 fiscal year, which starts on October 1, the Administration has raised its outlay estimate by £4,400m to £462,900m and has increased its revenue estimate by £700m to £461,400m, producing a £500m deficit.

The Administration said that its forecasts for the period 1979 to 1982 should be viewed as general assumptions and predictions about expected trends and should not be viewed as being as accurate as the forecasts for 1977 and 1978.

The longer-range predictions show that real GNP is expected to rise by 5 per cent in 1979, by 5.2 per cent in 1980, by 4.9 per cent in 1981 and by 4.3 per cent in the following year.

Consumer prices are seen as rising by 5.9 per cent in 1979 and by 5 per cent in 1980 and then holding at 4.3 per cent in both 1981 and 1982. Unemployment is seen as declining gradually from 5.5 per cent in 1979 to 4.4 per cent by late 1982.

The Budget, meanwhile, is estimated to move from a £1,800m deficit in fiscal year 1979 to a £3,900m surplus in the following year. Substantial surpluses of £42,100m and £75,000m are predicted for 1981 and 1982, respectively. These estimates are all based upon the assumption that the implementation of the President's energy programme.

The long-range predictions are, without doubt, based upon considerable wishful thinking on the part of the Administration.

Consumer prices are seen as rising by 5.9 per cent in 1979 and by 5 per cent in 1980 and then holding at 4.3 per cent in both 1981 and 1982. Unemployment is seen as declining gradually from 5.5 per cent in 1979 to 4.4 per cent by late 1982.

The Budget, meanwhile, is estimated to move from a £1,800m deficit in fiscal year 1979 to a £3,900m surplus in the following year. Substantial surpluses of £42,100m and £75,000m are predicted for 1981 and 1982, respectively. These estimates are all based upon the assumption that the implementation of the President's energy programme.

Sotheby's issue is subscribed 25 times

By Ray Maughan

Sotheby's Parke Bernet Group's issue has been received with extraordinary enthusiasm by both private and institutional investors. The offer of 3.85 million shares at 150p has been oversubscribed 24.7 times.

This response suggests that earlier indications of a 30p premium when dealings start next Thursday may now be understated. But investors will receive a scant proportion of their applications.

The three merchant banks to the offer—Kleinwort, Benson, N. M. Rothschild and Sons and S. G. Warburg—announced yesterday that applications for between the minimum 100 shares up to 2,000 will be allocated by ballot for 100 shares.

Above this level, applicants are assured of getting some stock but the allocation will naturally remain extremely small.

Applications for between 2,500 and 3,500 will be awarded 150 shares; from 4,000 to 5,000 shares the allocation is 200; and 5,500 to 6,500 will receive 300. Above 7,000, applications for between 8,000 to 10,000 shares will receive 400 and approximately 3.45 per cent of the amount sought will be allotted to applicants for 12,500 shares and over.

Sotheby's success and EMIT's smooth placing of three million shares yesterday in connection with the Tower Hotel acquisition, give an encouraging indication of the strength of the new issue market at the moment.

London and Scottish Marine Oil may yet be the strongest of the current batch. Its 9 per cent stake in the Ninian Field and the reception for the British Petroleum sale suggest that LMSO will climb to a healthy premium to the offer price of 155p.

The property and shipping group is thus free to go ahead with its offer of 25p each for Beaverbrook ordinary voting shares and 70p for the 'A' shares in a bid worth £13.7m.

The Panel's announcement came as a second Beaverbrook shareholder, Mr Vere Harmsworth, chairman of Associated Newspapers, voiced his objection to the takeover terms.

Mr Harmsworth, whose company holds over 7 per cent of the

company, said that he was voting capital, said: "It is insufficient for the voting shareholders."

He added that his own group's plans to produce a new London evening paper had not been shelved. "We may well decide to go ahead."

Mr Harmsworth, however, has no plans to protest about the takeover terms.

If Cavenham agrees to the bid, it will make a profit of about £2m on the line of shares that it bought for about 35p each from Mr Rupert Murdoch's News International group last January.

Mr Victor Matthews, Trafalgar's managing director, who is to be Beaverbrook's chairman and chief executive, had talks yesterday with union officials including Mr Bill Keys, chairman of the TUC print committee.

The EEC faces disintegration without agreed energy policies, Dr Guido Brunner, EEC Energy Commissioner, said yesterday. Without energy it would be impossible to maintain productivity, the flow of goods would be impaired and the Community could disintegrate, he said.

At a conference in Edinburgh, Dr Brunner advised the United Kingdom not to be tempted into an "I am all right Jack" attitude and go along on energy, despite oil self-sufficiency.

Total investment by the EEC until 1985, he said, would be £150,000m (about £85,714m) and 25 per cent of this would be in energy.

Without the energy sector it would be impossible to maintain a similar structure of productivity within the EEC.

The free flow of goods would be impaired and you would have the disintegration of the Market. In a few years it would deserve no longer the name Common Market," he said.

As far as the Commission was concerned there was no plot or covert intention for a silent takeover bid of legitimate areas of national policy.

The British, he said, might sometimes be tempted to think that the one thing they did not need was a European energy policy but their partners in Europe were not so fortunate.

The United Kingdom was self-sufficient, but there were other nations with a little oil and nuclear energy for little and too expensive—and there were others in Europe who had nothing but hope.

To say we are not going to help means destroying the jobs of consumers who are likely to turn to the products of the United Kingdom," Dr Brunner said.

What was possible to strain, in piecemeal Community legislation, was an import policy for coal and production support for coal.

Dr J. Dixon Mabon, Minister of State for Energy, told the conference that the EEC was beginning to design a modest but practical common energy policy.

He said, however, that the future would always turn out to be different, from expected

Mrs Oppenheim states prices policy

By Derek Harris
Commercial Editor

New swifter-acting powers to ensure competitive pricing were favoured by the Conservative Party, Mrs Sally Oppenheim, Opposition spokesman on prices and consumer affairs, said last night. She was outlining Tory policy on prices and competition in a speech in Birmingham.

New anti-monopoly powers should be vested in the Office of Fair Trading (OFT) and the Monopolies Commission rather than the Price Commission, Mrs Oppenheim said.

This is in contrast to the concepts of Mr Hattersley, Secretary of State for Prices and Consumer Protection, who with new government powers for investigation and price setting, operative next month, sees the Price Commission as usually the best vehicle when speedy action is needed to ensure fair prices.

Mr Hattersley has also floated the idea that a single agency might eventually take over the roles of OFT, Monopolies Commission and Price Commission.

But earlier than that, the Monopolies Commission and Price Commission might be merged.

Mrs Oppenheim, as far as the Tories are concerned, virtually buried the Government's new pricing legislation, giving new powers both to the Sec-

retary of State and the revamped Price Commission.

She said: "We would have been quite prepared to see the Price Code itself extended until the end of 1978 as a quid pro quo for an effective pay policy in phase three. Beyond that we do not believe there is any justification for new, potentially dangerous powers."

All Tory policies would be aimed at restoring long-term price stability as an overriding priority, Mrs Oppenheim continued. "We believe that if economic policies are sound, vigorous competition is the best protection that consumers can have," she said.

To make sure competition was both fair and robust, there was a case for strengthening and improving competition policy. This should provide for "swift and flexible" intervention if competition was being inhibited.

"This could mean new powers to monitor, investigate, report and take action where competition is deficient or distorted in pricing practices, and where choice is being unduly eroded," Mrs Oppenheim said.

At present monopoly and merger investigations were slow and cumbersome and ways should be found of speeding them up.

"There should be certain automatic triggering devices in relation to merger investigations. Near monopoly situations

need especially careful watching, so that an early warning system can be activated."

Sometimes potential monopoly situations progressed rapidly into actual monopolies, by which time it was often too late to do anything about it.

"A swifter, more responsive and flexible anti-monopoly policy is necessary in this country if consumers are to reap the full benefits of active competition."

An order was laid by the Government yesterday to increase the overall membership of the Price Commission from 12 to 16. This will ensure not only wider representation of industrial, commercial, trade union and specialist interests, but help to make the commission able to process around 50 company or sector investigations annually.

Mr Hattersley is expected to publish next week the final consultative document shaping the Government's new price control powers.

This covers a new price code which Mr Hattersley has promised will apply only if the TUC agrees to a further year of pay policy.

The present price code has been given a cut-off point of October 1, effectively extending its life until a TUC decision is known. The new code, apart from spelling out safeguards for company profits which both the



Mrs Oppenheim: Emphasis on price competition.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Takeover Panel approves terms of Beaverbrook sale to Trafalgar

By Richard Allen

Bid terms from Trafalgar House for Beaverbrook Newspapers have been approved by the Takeover Panel.

Sir James Goldsmith, who controls about 40 per cent of the Beaverbrook non-voting shares, last night reluctantly accepted the Panel ruling.

The property and shipping group is thus free to go ahead with its offer of 25p each for Beaverbrook ordinary voting shares and 70p for the 'A' shares in a bid worth £13.7m.

The Panel's announcement came as a second Beaverbrook shareholder, Mr Vere Harmsworth, chairman of Associated Newspapers, voiced his objection to the takeover terms.

Mr Harmsworth, whose company holds over 7 per cent of the

company, said that he was voting capital, said: "It is insufficient for the voting shareholders."

He added that his own group's plans to produce a new London evening paper had not been shelved. "We may well decide to go ahead."

Mr Harmsworth, however, has no plans to protest about the takeover terms.

If Cavenham agrees to the bid, it will make a profit of about £2m on the line of shares that it bought for about 35p each from Mr Rupert Murdoch's News International group last January.

Mr Victor Matthews, Trafalgar's managing director, who is to be Beaverbrook's chairman and chief executive, had talks yesterday with union officials including Mr Bill Keys, chairman of the TUC print committee.

The EEC faces disintegration without agreed energy policies, Dr Guido Brunner, EEC Energy Commissioner, said yesterday. Without energy it would be impossible to maintain productivity, the flow of goods would be impaired and the Community could disintegrate, he said.

At a conference in Edinburgh, Dr Brunner advised the United Kingdom not to be tempted into an "I am all right Jack" attitude and go along on energy, despite oil self-sufficiency.

Total investment by the EEC until 1985, he said, would be £150,000m (about £85,714m) and 25 per cent of this would be in energy.

Without the energy sector it would be impossible to maintain a similar structure of productivity within the EEC.

The free flow of goods would be impaired and you would have the disintegration of the Market. In a few years it would deserve no longer the name Common Market," he said.

As far as the Commission was concerned there was no plot or covert intention for a silent takeover bid of legitimate areas of national policy.

The British, he said, might sometimes be tempted to think that the one thing they did not need was a European energy policy but their partners in Europe were not so fortunate.

The United Kingdom was self-sufficient, but there were other nations with a little oil and nuclear energy for little and too expensive—and there were others in Europe who had nothing but hope.

To say we are not going to help means destroying the jobs of consumers who are likely to turn to the products of the United Kingdom," Dr Brunner said.

What was possible to strain, in piecemeal Community legislation, was an import policy for coal and production support for coal.

Dr J. Dixon Mabon, Minister of State for Energy, told the conference that the EEC was beginning to design a modest but practical common energy policy.

He said, however, that the future would always turn out to be different, from expected

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

W German unions leave joint body

From Peter Norman

Bonn, July 1
The West German Trade Union Federation (DGB) has decided to pull out of the "concerted action committee," regarded by many as the centrepiece of the German system for guiding the economy through consensus policies.

In a letter published today, Hans Heinz Oskar Vetter, DGB chairman, told Dr Hans Eridrichs, Bonn's Economic Minister, that his organization no longer wished to take part in the committee as the climate between employers and unions was "not suitable" for negotiation.

The concerted action committee meets more or less regular intervals, to discuss the economy, under the chairmanship of the Bonn Economics Minister and brings together representatives of the Government, Federal Bank, trade unions and employers. It is scheduled to meet next Tuesday.

The unions have been upset by an employers' decision earlier this week to challenge the new West German co-determination laws.

A group of employers' associations and industrial companies filed a suit against the legislation before the Federal Constitutional Court in Karlsruhe on the grounds that it threatens the constitutionally guaranteed freedom of property ownership and the constitutional provisions on the independence of both sides of industry in wage bargaining.

Today the Economics Ministry disclosed that Herr Eridrichs has asked Herr Vetter to rethink his decision not to take part in the concerted action committee, as next week's meeting could be of considerable importance in view of continued high unemployment in West Germany.

It is understood that the proposal, which would allow member countries to impose a supplementary tax on cigarettes with higher tar yields, has been warmly received by the Dutch, Danish and Irish delegations but opposed by others.

Talks covering this proposal and other aspects of the tax harmonization directives are expected to take place in Brussels within the next few weeks.

If accepted the proposal would give a price advantage to low tar brands, since tax represents a high proportion of the retail price.

Confederation of British Industry and the Retail Consortium regard as completely inadequate, is expected to be largely a copy of the present code, except that allowable costs controls are abandoned.

PERSONAL INVESTMENT AND FINANCE

Investor's week

Success for BP
issue • Agreement
at Beaverbrook

New issues took most of the spotlight on the London stock market this week as the rest of the equity market marked time against a background of gloomy industrial news.

Perhaps other things provided adequate diversion. Everyone may have been watching Wimbledon or Healey. In any case, there was a general lack of enthusiasm reflected in the FT index which gained just 1.6 to 4512 over the five days. The start of the week was dominated by the first deal in the new BP issue. BP shares which had risen to a 75p premium over the £3 issue price. At one stage on Monday they stood at more than 390p—their highest level of the week—amid scenes of hectic buying which caused the rest of the market to be marked up in sympathy.

Dealers estimated that on each of the first two days turnover in the new shares amounted to £12m, split equally between buying and selling. For once, a private client came into his own when small applications were allocated in full, but there was disappointment on the other side of the Atlantic when the North American allocation was cut back from 25 to 20 per cent of the total issue, a fact which undoubtedly spurred the strong United States demand which followed the initial thrust.

Supporters of the small saver were naturally delighted with the outcome. It brought forth some noble sentiments from Mr Nicholas Goodison, chairman of the Stock Exchange, about the continuing health of the individual investor.

It certainly fuelled the market in BP. In spite of a good deal of profit-taking in the initial rush of enthusiasm, the new shares ended the week at a premium of 75p, while the old rose 16p to 930p.

Though the BP shares continued to be actively traded, attention soon turned to the week's listings. Sotheby's, the auctioneers and the Lasso oil consortium which at present trades under the restrictive Rule 163. Early reports suggested that the Sotheby's issue was many times over-subscribed.

No less warmly received was the listing of City Hotels, the restaurants to ice-cream group, which was quickly trading at 75p against the issue price of 60p. Last night the shares closed at 77p.

The rest of the market continued to be marked up by apparent deadlock in the Crum-

wick dispute and the threat of a strike by Lucas toolroom workers, a move which could have serious implications for the west Midlands car industry.

With the BP issue out of the way and renewed hope that

United States interest rates might have levelled out, the week started in good form. There was excitement on the takeover front with the bid for the backstage rumblings over the future of Beaverbrook Newspapers finally coming out into the open with the news of the agreed takeover by Trafalgar House, the trustees having preferred Trafalgar to the other contenders, Sir James Goldsmith and Associated Newspapers.

Both classes of Beaverbrook shares were suspended after news of the agreement and over the week the ordinary lost 13p to 252p and the "A" gained 10p to 101p.

Pureport maker Gomme Holdings fell 14p to 59p after it announced that talks with an unidentified suitor (thought to be Thomas Tilling) had broken down. There is now speculation that Marley could be moved to sell its holding which is almost 30 per cent.

In the building sector, the Equity Bank's £2.7m capital injection into UBM left the shares 41p lower at 55p, but BPB Industries gained 10p to 174p after figures a little above most expectations.

J. Lyons' maintained, though uncovered, dividend met with approval though the sale of the Tower Hotel for £63m to EMI was less well received. The shares eased 1p to 38p over the five days.

Though figures from Land Securities were not a disappointment, its property revaluation of 10p to 18p to 337p after its mid-week results.

Disenchantment with plans for a merger with Clarke Chapman under an industry rationalization weakened Raylton Parsons 18p to 168p and the face of the strike threat.

Though trading is limited in its present state there was a comparatively good demand for Lasso which rose 31p to 339p. Companies with stakes in the group also benefited, notably British Borneo, up 12p to 176p.

David Mot

MAIN RISES AND FALLS OF THE WEEK

Year's High	Year's Low	Company	Rises	Falls	Comment
175p	88p	BPB Ind	10p to 174p	Figures	
339p	158p	Lasso	31p to 339p	Listing next week	
225p	85p	Lep Group	22p to 225p	Speculative interest	
440p	187p	Racal	32p to 440p	Recent figures and scrip	
489p	280p	Standard Chart Bank	29p to 337p	Dividend rise	
74p	30p	Gomme	14p to 59p	Talks broken off	
200p	93p	Land Secs	12p to 183p	"Conservative" property valuation	
317p	140p	Lucas	18p to 281p	Strike threat	
216p	80p	Reyrolle	18p to 168p	Strike threat	
81p	21p	UBM	41p to 55p	Equity Bank stake	

An investor's calendar

	January	February	March	April	May	June
Unit trusts	S & P Financial S & P Capital	Natwest Growth	S & P Scootbites M & G General Union Income Abbey General TSB General	Union General S & P Inv Tst Units S & P High Yield		
Building societies	Halifax Bristol & West Huddersfield & Bradford	Northern Rock	Woolwich Equitable	Leeds Permanent	Hastings & Thanet	Nationwide Burnley
Fixed interest	Courage 10 1/2% unsec. 90-95	Arthur Guinness unsec. 10% 93-95 Greater London Council 13 1/2% 1984	BAT's 10% unsec. 90-95 Treasury 15 1/2% 98	Imperial Group 10% unsec. 90-95	Metal Box 10 1/2% infsec. 92-97 Treasury 15 1/2% 98	Guest Keen & Nettlefolds 10 1/2% 90-95 Birmingham District Council 12 1/2% 1985 Brit. Savings Bonds
Deposit accounts						Natwest Midland Lloyds Barclays
Company dividends	Imperial Group Courtauld Guest Keen & Nettlefolds Dunlop Rio Tinto Zinc		GEC	Grand Metropolitan ICI	Brit. Petroleum Unilever "Shell" Transport	
	July	August	September	October	November	December
Unit trusts	M & G Dividend S & P Capital	Natwest Growth	S & P Scootbites M & G General TSB General Union Income Abbey General	S & P Scootbites	S & P Inv Tst Units S & P High Yield S & P Income	
Building societies	Halifax Bristol & West Huddersfield & Bradford	Northern Rock	Woolwich Equitable	Leeds Permanent	Hastings & Thanet	Nationwide Burnley
Fixed interest	Courage 10 1/2% unsec. loan 93-98	Arthur Guinness 10% unsec. 93-98 Greater London Council 13 1/2% 1984	Treasury 15 1/2% 98 BAT 10% unsec. 90-95	Imperial Group 10 1/2% unsec. 90-95	Treasury 15 1/2% 98 Metal Box 10 1/2%	Guest Keen & Nettlefolds 10 1/2% unsec. 90-95 Birmingham District Council 12 1/2% 1985 Brit. Savings Bank
Deposit accounts						Lloyds Barclays Natwest Midland National Savings Bank
Company dividends	Bowater Courtauld Rio Tinto Zinc Dunlop		Rothman Int'l	Imperial Group GEC Grand Metropolitan Brit. American Tobacco	Brit. Petroleum "Shell" Transport ICI Bowater	Unilever

I have never had much faith in the tea-caddy approach to domestic finances. I can all too comfortably justify spending the mortgage repayments on antiques, the gas money on Elizabeth David, and the entire weekly housekeeping on one sumptuous meal.

Such moral failure is all very well when you can stagger (after all those sumptuous meals) from one salary cheque to the next. But the problems of living within one's means are made much more if you are relying on investment income.

Cash flow was something that the off-quoted Mr. Milcower overlooked. Bills and expenses have an awkward habit of arriving with greater frequency and regularity than dividend or interest payments.

In arranging your portfolio of investments, the timing of your return can be almost as important as the amount you receive.

Unit trusts, building society deposits, fixed interest stocks, blue chip equities and deposit accounts are part of most investors' repertoire.

I have selected a dozen-and-a-half of the biggest unit trust funds, building societies and United Kingdom quoted companies, some long-established fixed interest securities, together with the major clearing banks' deposit accounts, and listed them under the month they usually pay (not in any sense) dividends or interest to investors.

Most unit trust groups make two payments a year. But some, such as Save & Prosper's US

Keeping up your cash
flow—a month
by month guide

New Year comes in and brings old bills:

A hangover, and Christmas bills.

Pipes, pocket book, composture crack:

Beneath foul February's attack.

In March expect, though now unnamed,

The sudden thump of rates demand.

The taxman asks, next month, a jibe

Of long-gone gains of days more blithe.

For winter warmth you'll have to pay

The electricity in May.

A June bride leaves her home with grace—

And bills for champagne, flowers and lace.

July? Where's cash for schedule D,

And payment of that CGT?

Come August, come sun, sea and sand—

Given the whereabouts of your hand.

September brings demands for fees

For schooling infant prodigies.

Nor is October trouble-free—

A new car's a necessity.

November's season ticket time:

Though standard slip, costs don't decline.

Come December, there's no stopping.

With all that booze and Christmas shopping.

ADRIENNE GLEESON

Growth Fund, shown on the

are aware of investors' require-

table, makes only one.

Some smaller income funds

must for regular income.

shorter intervals and make it

a novel feature of their unit

trusts.

The Lawson High Yield Fund

offers quarterly payments in

March, June, September and

December. Another smaller

fund, Ansbacher's Income

Monthly Fund, which has a

minimum investment of £3,000,

is designed to do what its name

suggests—provide payments

monthly.

All the building societies on

the table make half-yearly pay-

ments, but a surprising number

among the largest groups offer

monthly payments. Among the

top 20 (in terms of size) socie-

ties, the Alliance, the Leicesters

Provincial, the Bradford and

Bingley (subject to a minimum

deposit of £2,000), the Anglia

and the Gateway offer monthly

interest payments.

All the fixed-interest stocks

—Treasury stocks, local author-

ity bonds and long-dated un-

secured loan stocks, have twice-

yearly payments.

Looking at the table, there

are some lean months. Com-

porate interim and final divi-

dends tend to be bunched (in

January, May, July, October and

November, while in August, De-

cember and February they are

thin on the ground.

With building societies on the

other hand, it is a fairly simple

exercise to spread your deposits

to obtain quarterly or monthly

income.

None of the unit trusts in the

table pays a dividend in June or December, but these are the months when the clearing banks make their payments on deposit accounts. Fixed-interest stocks have a useful diversity in payment dates.

Using the table as a guide, an investor should not find it too difficult to secure a regular monthly income by careful choice within these categories of investments.

If you wish to be a trifle more ambitious and fill in some of the monthly gaps, you could consider a single-premium bond withdrawal plan where the half-yearly payments are based on the anniversary of the purchase date.

The frequency of withdrawal is linked to the size, and sometimes the duration, of investment.

Hambro Life will make twice-yearly withdrawal payments from a starting date chosen by the client. It advises investors who want regular and frequent payments to buy a series of bonds (the minimum investment is £1,000 per bond) rather than placing all their money in just one.

Property Growth and Abbey Life operate monthly withdrawals on investments of more than £10,000 and £12,000 respectively, and quarterly payments on holdings of over £5,000 and £4,000.

In the case of Abbey Life, however, the automatic withdrawal does not operate in the first year.

Margaret Drummond

Back to basics: through life assurance 3. Health, and other matters

There is no limit on the amount for which you may insure life—the life of your spouse. But there are limits on insurance which you arrange on the lives of others.

You cannot, for instance, insure the life of a young person for a high figure—even if you are a high-earning professional. You would "lose" the paid for this or her education.

If you want to insure lives of others, you have some pecuniary interest. If, for instance, you have somebody money, you insure against losing it in the person's death, and so.

The usual relief to regular premiums applies when you insure the life of yourself or your spouse. So, apart from some exceptions, no relief of tax can be claimed by husbands and wives in each other's lives if, because of high earnings, they opt for separate policies on the wife's earnings.

One way round that difficulty is, for instance, to insure one's own life, but trust basis (as under the terms of the Married Women's Property Act) for the life of his wife. In this way, the normal relief tax on the premiums, but policy belongs to his wife's estate.

Arranging policies on a basis for the benefit of children can be particularly helpful. The capital transfer tax, of course, is a relief from the generation (in non-income-producing form). At your death, the policy proceeds go straight to the beneficiary—free of all tax. Effectively, then, the benefits can be used by beneficiary to pay the CTT on other assets passing to him at your death.

Often, the premium for type of policy can count as "normal expenditure" in which case it is quite free from capital transfer tax without affecting the £2,000 per annum exemption or the £100 person per annum exemption.

The main features which determine the premium of your age when the policy is arranged, and the term of policy, if it has a fixed maturity, or expiry date. Women, by way, usually qualify for low life assurance premiums than men (because they have longer life expectancy), but normally have to pay substantially higher premiums for insurance to provide an income during periods of disability due to sickness or accident.

Insurance companies will want proof of your age, such as sight of your birth certificate. Even if proof of age is required, it will be needed before a claim will be paid, the most satisfactory arrangement is to dig out your birth certificate at the outset.

Chances are that it will be easier to find at stage 1B if it appears to be irrevocable. If it is possible, for a fee obtain a copy, but not from Somerset House. Apply instead to the Office of Population Censuses and Surveys, Catherine's House, Kingsway, London, W.C.2.

Naturally, an insurance company is interested in your state of health, but a fair liberal view is taken by most offices. For instance, most offices require to accept a twelve 90 and 95 per cent their proposals on normal terms, and very few people are turned down altogether on health grounds.

Often, for a young man (woman) in good health, who does not want particularly high cover, the office may be satisfied with a fairly full proposal form—although quite a number of offices have been reduced the amount of detail required in such cases.

Companies have their own rules about the other medical checks they apply—depend on their size, the size of the proposed policy, and your age. Quite often, in addition to a complete proposal form, office will require a report of confidence from your doctor. This is known as private medical attendance report, and the doctor receives a fee from the insurance company for his work.

Instead of a doctor in addition to that report, the insurance company may want one medically examined by a doctor of its choice. Don't be alarmed about this. Generally it is nothing more than routine (without the usual "inquiry" and all will be well. If a doctor finds something which puts him on the alert, arrangements can be made for your own doctor to be notified.

Neither the examining doctor nor the insurance company will reveal any medical details. In some cases, an insurance company will pay for specialist's report before deciding whether to accept a proposal, and on what terms.

There are plenty of ways of buying life assurance—such as direct from the company through an agent, or through a broker. Excellent as a company may be on the general side, for cars, houses, etc., it does not follow that it has particularly good record on "life side". Some of the best life offices specialise in that sphere and write no other business.

Dealing through a broker, you should get good advice, always remembering that a handful of offices (with good records) do not pay commission for the introduction of business and so for that reason alone are unlikely to be recommended by a broker.

Francis Kinsman

John Drummond

M&G SPECIAL

The M&G SPECIAL TRUST FUND invests in smaller companies, with particular attention being given to those where good management can make an important impact on earnings. Many companies in this area are eventually taken over at an attractive price, and this can provide an added interest.

The aim of the fund is to provide capital growth, and the yield is a secondary consideration.

M&G Special has had a consistently good performance, and an investment of £1,000 in income units at the fund's inception in September 1967 is now worth £2,606 at current prices—a growth of 161%. During the same period the FT Industrial Ordinary Index has gone up by 23%. An original investor in the M&G Special Trust Fund would also have seen an increase of over 200% in the income paid out. The estimated gross current yield is 4.5% at the latest buying price of 130-3p.

Unit Trusts are a long-term investment and not suitable for money that you may need at short notice. The price of units and the income from them may go down as well as up.

Prices and yields appear in the F.T. daily. There is a charge of 3% initially and 1% plus VAT annually. Distributions are made on 30 September and 31 March net of basic rate tax. The next distribution date for new investors will be 30 September 1977. Units may be sold at any time at a price which will be at least 90% of the net asset value. The estimated gross current yield is 4.5% at the latest buying price of 130-3p.

Unit Trusts are a long-term investment and not suitable for money that you may need at short notice. The price of units and the income from them may go down as well as up.

Prices and yields appear in the F.T. daily. There is a charge of 3% initially and 1% plus VAT annually. Distributions are made on 30 September and 31 March net of basic rate tax. The next distribution date for new investors will be 30 September 1977. Units may be sold at any time at a price which will be at least 90% of the net asset value. The estimated gross current yield is 4.5% at the latest buying price of 130-3p.

Unit Trusts are a long-term investment and not suitable for money that you may need at short notice. The price of units and the income from them may go down as well as up.

Prices and yields appear in the F.T. daily. There is a charge of 3% initially and 1% plus VAT annually. Distributions are made on 30 September and 31 March net of basic rate tax. The next distribution date for new investors will be 30 September 1977. Units may be sold at any time at a price which will be at least 90% of the net asset value. The estimated gross current yield is 4.5% at the latest buying price of 130-3p.

Unit Trusts are a long-term investment and not suitable for money that you may need at short notice. The price of units and the income from them may go down as well as up.

Prices and yields appear in the F.T. daily. There is a charge of 3% initially and 1% plus VAT annually. Distributions are made on 30 September and 31 March net of basic rate tax. The next distribution date for new investors will be 30 September 1977. Units may be sold at any time at a price which will be at least 90% of the net asset value. The estimated gross current yield is 4.5% at the latest buying price of 130-3p.

Unit Trusts are a long-term investment and not suitable for money that you may need at short notice. The price of units and the income from them may go down as well as up.

Happy days ven ve vere Jung

The summer term is drawing to an end and all over the country, the thoughts of young people are turning from parties, strawberries and cream, and Beowulf to the serious matter of getting a job. In the present economic circumstances, I feel keenly for them.

The thought sent me back 20 years to when I was in the same position myself. Things were different in those days and I approached the problem with a different attitude. Having graduated as a natural scientist, I decided that the creative life was for me, and that I wanted to become a copy-writer.

I therefore went along to a famous advertising agency and interviewed me along with 147 others. They had the most amazing selection procedure, which consisted of two intelligence tests, eight interviews and a copy-writing test.

At every stage of the procedure a number of us dropped off like October leaves. When we got to the copy-writing test there were four left.

I remember little about it except that one of the questions was: "Describe a deck chair in 17 words." I finished it in a lather and was told to my intense mortification that I had failed because my style was too crystallized.

One more hurdle

I consoled myself with the thought that you could say the same about Gerald Mauley Hopkins, and this sustained me, in combination with the fact that in spite of my failure, they thought there could be other goodies in store for me nevertheless.

All I had to do was to clear one further hurdle: the psychological test, no less.

The psychologist was what you might call an archetypal psychologist; dry and grey with pin-cenes and a German



"We went on through numbers of increasingly complicated ink blots..."

accent. You won't believe me, but standing in front of a firing squad with my hand on the Codex Alexandrinus I swear to you that his first question was: "Tell me about your father."

I explained that he was frightfully nice, and that it was all very easy between us because we were both so alike. "Vot, I am supposed to learn something from zat ven I haf known you five minutes?" he complained. "Tell me about your mother."

I told him that she was frightfully nice too, and did a great deal of work for things like the Red Cross and so on. "Are you trying to get reflected glory from zat?" he asked, passing a hand over his eyes. I assured him that this was far from so, but he was clearly unconvinced.

He changed his tack. "Vot books do you like, vot poems, vot music, vot sculpture, vot pictures?" This took me a longish time to sort out, but I hadn't gone far before I realized that everything I said was going to be used to defend the death on every point.

EDITED BY MARGARET STONE

FINANCIAL NEWS AND MARKET REPORTS

Taxation

Leafing through the Inland Revenue pamphlets

The majority of us find the United Kingdom tax system, on balance, incomprehensible. And, better if it is not, the Inland Revenue realizes this.

Today we start a short series to guide readers through the Inland Revenue explanatory pamphlets in print as of June 1977, and which are provided free of charge at the local tax office. If his judgment in a famous case back in 1921 is anything to go by, Lord Sumner would have found them useful.

"It is a most wholesome rule," he said, "in taxing the subject that the Crown must show that it has powers to tax which are given by the legislature. Applied to income tax, however, this is a most unfortunate proposition. Most of the operative clauses are unintelligible to those who pay the taxes, and in my case, derive such clarity as they possess from the judges who have interpreted them." (Brown v National Provident Institution, 1921.)

Many will have their first introduction to income tax when they start work in the autumn. Paying Tax for the First Time, Income Tax and the Elderly, Taxation of Wife's Earnings, Tax Treatment of Interest Paid, Personal Allowances, Income Tax Tables.

When a woman is widowed she probably finds that among other difficulties she has to cope with a tax form for the first time. The three-page leaflet IR23, Income Tax and Widows, explains what types of income are taxable and what allowances can be claimed in the first tax year of widowhood.

On reaching the age when the national insurance pension, the state basic, becomes payable one's tax position is complicated by the fact that the pension is treated as taxable income. If the pension is not high enough to come within the taxable range, but combined with other taxable income it is likely to do so, and as it is paid gross some method for collecting the tax has to be implemented.

Whether the individual carries on working or has a pension from a former employer, this and other problems are dealt with in question and answer form in a 12-page pamphlet, IR4, Income Tax and the Elderly. The allowances, reliefs and tax rates mentioned in the leaflet are those for the tax year 1976-77, but the principles remain the same for the current year.

A leaflet to which I have referred a number of times in the past is IR13, Taxation of Wife's Earnings. Its seven pages discuss the circumstances in which an election for the separate taxation of wife's earnings is beneficial. It is explained that when the minimum joint income required before a couple should consider the claim is £8,295 (before any deduction for personal allowances and reliefs).

Even then it is not necessarily advantageous, for much depends on other factors. One of them is the level of the wife's earnings, and here a table on page four gives a useful guide on what the minimum should be to make a claim worthwhile.

At one time all interest paid, whatever the purpose of the loan, was claimable as a deduction. The rules changed dramatically from March 26, 1974, under the Finance Act, 1974, and it is an indication of their complexity that a 27-page pamphlet has been produced to explain them, plus five blank pages for those enthusiastic enough to make notes.

Interest on loans in existence on March 26, 1974, was given transitional relief but will end on April 5, 1980. To attract longer term relief it is the purpose for which the loan is advanced that is relevant, and leaflet IR11, Tax Treatment of Interest Paid, sets out the various permissible alternatives.

For those who want to know more about the types of personal loans which can be claimed leaflet IR22, Personal Allowances, is the answer. There is a supplement for the 1977-78 rates and anyone confident enough to be able to check or work out his or her own tax liability will find no aid to their arithmetic in the Income Tax Tables IR21.

Reproduced with the permission of HMSO. Crown copyright reserved.

EXPLANATORY PAMPHLETS DISCUSSED IN THIS ARTICLE

Leaflet No. IR2 Paying Tax for the First Time

IR23 Income Tax and the Elderly

IR13 Taxation of Wife's Earnings

IR11 Tax Treatment of Interest Paid

IR22 Personal Allowances

IR21 Income Tax Tables

Change since June 24, 1976, after to bid, income reinvested. Mr. Change since June 24, 1976, after to bid, income reinvested. Mr. Change since June 24, 1976, after to bid, income reinvested. Mr.

Stock markets

Light selling ahead of union conferences

Small selling and a general lack of enthusiasm ahead of the weekend lowered prices over a broad front and the FT Index closed 5.1 lower to 451.2, its weakest performance of the week and a gain of just 1.6 over the five sessions.

Dealers said the possible worsening of the Grunwick dispute and the forthcoming conferences of the miners and transport workers, with their

The excitement over Sotheby's marketing has done little to harm its shares rose 3p to 73p yesterday, making a 6p gain on the week. Sotheby's could go so well that the yield advantage

Christies could be bought small. Sotheby's have to make £4.6m in the year to August 31. Christies year runs to December and will take in the key autumn season. But it is too well, it too could make profits as big as those of Sotheby's.

obvious implications for the future of the pay policy, also served to undermine confidence. Next week's new issues also kept potential investors on the sidelines.

Investors were also unsettled by the prospect of big wage demands and early gains were soon reversed. Short trades ended about one-eighth lower, while among mediums and "longs" there were scattered losses of up to three-eighths.

Company Sales

For or For

Batleys Yorks (F) 37.9(29.0)

Canon Inc (F) 0.01(0.01)

Colson Inv (F) 10.3(0.7)

R. Ferdman (F) 4.8(4.3)

G. Nethun Inv (F) 4.8(4.3)

Hazlewoods (F) 3.5(1.0)

Lennox Corp (F) 58.5(46.0)

P. Nash (F) 5.9(5.4)

KTD Group (F) 5.0(5.6)

Whitings (F) 5.4(5.3)

Dividends in this table are shown net of tax on pence per share. To establish gross multiply the net dividend by 1.54. Profits are shown pre-tax, and earnings are net. * Adjusted, † Loss.

Latest results

Profits

Earnings

Div

Pay

Year's

total

1976

1977

1978

1979

1980

1981

1982

1983

1984

1985

1986

1987

1988

1989

1990

1991

1992

stemmed from figures while the bid denied continued to lower Spix-Sarco which closed 6p off at 270p.

Over in shipping, Furness Withy sprang to life on renewed speculative interest and rose 14p to 312p, but Lof's shed 11p to 46p after the chairman's rather gloomy annual review.

Christies rose 3p to 73p in the hope that it might attract some of the cash originally bound for Sotheby's and City Hotels, the other new issue, ended at 77p, a premium of 17p. The new BP

partly paid shares reacted 5p to 375p, leaving them with a premium of 75p at the end of their first week of trading.

Lennox, also due to come to the market next week, closed at an unchanged 339p, but the gain over the week was 31p.

On the bid scene the ordinary shares of Beaverbrook reacted 48p to 252p with the "A" a penny firmer at 68p after the deal with Trafalgar House which lost 4p to 113p.

News that bid talks were in progress had Thames Plywood closing at 130p after an earlier suspension at 120p, while Robert Stockley was also suspended, pending an announcement.

A brokers' circular and seminar this week gave a lift to the mail order section, notably Empire Stores which attracted a good deal of support at 140p, a gain of 5p. Wm Press continued to be lowered by adverse rumours and reports that a large line of stock had just been placed.

The longer-term prospect of higher interest rates continued to weaken the property sector

where Berkeley Hambro lost 4p to 94p, Land Securities 3p to 183p and MEPC 2p to 84p. Midland, off 4p to 293p, led the clearing banks lower. Barclays gave up 3p to 275p and Lloyds ended a couple of points off at 215p.

After figures, Blackman & Conrad eased 2p to 28p, but Lennons at 35p and Whatlings 36p both held firm.

Interest in Magnet & Southern's final figures, due later this month, centres on what will happen to the dividend. As a new group there is no restraint this time around and the speculation is that the payment may be raised from 9.4p to as much as 15p gross. Profits of at least £14m are expected against a combined total of £11m last time. The shares added 2p to 145p.

British Electronic Controls gained several pence after takeover news and, after hours, most speculation centred on the allotments for the Sotheby's issue.

Equity turnover on June 30 was 563.5m, 13,792 bargains. Active stocks yesterday, according to Exchange Telegraph, were 101, BP new, Shell, BAT, Df and Ind, Rascal, P. O. Hawker Siddeley, Plessey, Midland Bank, Distillers, Wm Press, Renault, Empire Stores and Swan Hunter.

By Ray Maughan

Deals in Thames Plywood Manufacturers resumed yesterday after suspension at Charterhouse's request. Capital announced the terms of a proposed bid of around 142p per share.

It is intended that the £1.7m offer will be made on behalf of a new company, Technical Panel Holdings, to be formed for this purpose by certain directors of Thames Plywood Industries, together with Charterhouse Development Capital, and British Rail Pensions Funds, which holds a stake in Charterhouse.

The vendor is C. P.

Choularton, Sons & Partners, an unquoted investment and commercial banking operation based near Manchester. Its chairman, Mr. Cyril Choularton, also heads Thames Plywood. It may be argued that the bank is tending to go liquid since it is also recently placed its 61.1 per cent stake in Reliance Knitwear Group.

Before this projected deal goes through, however, it is conditional on Technical Panel Holdings, the new company, taking a put option on Choularton for the parts of Thames Plywood which the purchasers do not want.

Through its wholly owned subsidiary, Choularton Trust 55.1

per cent of Thames and Ashley will be required to enter into an agreement with the new company whereby Technical Panel Holdings may require Ashley to acquire from it all the business of Thames other than Technical Panel Industries for about £350,000. It is understood that this condition has already been agreed.

It had become clear that the Technical Panel Industries, manufacturing panels for heavy lorries and containers, was rapidly establishing itself as the driving force at Thames Plywood. So much so that it had outgrown its parent which was not in a position to meet its funding requirements.

Dealers have been pre-occupied with Rothmans' gearing, which will probably stand at about 200 per cent in the next balance sheet. But the group claims to hold about £40m in cash and has buttressed liquidity over the last two years.

There should be a further boost, the board anticipates, when end-product cigarette taxes replace the current duty of leaf by weight.

In the past, Sir David has expressed somewhat dim views of Britain's prospects, a view which might form a block on the road to diversification, taken by Sir Imperial Group.

He has intimated that he would not be interested in a brewery and, with the possible exception of Arthur Bell, the independent distillery groups would be too small to make much impact on Rothmans' earnings.

Talks did take place apparently with Ortel Foods last autumn.

By Alison Mitchell

The dispute between J. F. Nash Securities subsidiary Gailey Group and one of its main suppliers Ace Belmont International has had a much greater impact on profits than forecast.

Changes in distribution and franchise policy, forced on the caravan distributor as a result of the disagreement, nudged it into the red for the six months to March 31 last.

However a better than expected performance by the company's packaging division Barpak left pre-tax profits only slightly down at £141,000 against £148,000.

Turnover rose 8 per cent to £595m leaving margins 0.3 per cent narrower at 2.4 per cent.

Mr. John Nash, chairman, forecast in his annual statement that Gailey Group would pick up in the closing months of the year. But this upturn may not reach anticipated levels.

April and May caravan sales were "disappointing" according to Mr. John Tibbirk, director, and it is unlikely that the division will make up the first half loss.

But the bulk of profits traditionally come in the second six months.

The directors have altered the structure of group borrowings, covering a £2.85m overdraft into 10-year term loans.

Caravan trouble holds back J F Nash Secs

By Alison Mitchell

The dispute between J. F. Nash Securities subsidiary Gailey Group and one of its main suppliers Ace Belmont International has had a much greater impact on profits than forecast.

Changes in distribution and franchise policy, forced on the caravan distributor as a result of the disagreement, nudged it into the red for the six months to March 31 last.

However a better than expected performance by the company's packaging division Barpak left pre-tax profits only slightly down at £141,000 against £148,000.

Turnover rose 8 per cent to £595m leaving margins 0.3 per cent narrower at 2.4 per cent.

Mr. John Nash, chairman, forecast in his annual statement that Gailey Group would pick up in the closing months of the year. But this upturn may not reach anticipated levels.

shares of Beaverbrook reacted 48p to 252p with the "A" a penny firmer at 68p after the deal with Trafalgar House which lost 4p to 113p.

Over in shipping, Furness Withy sprang to life on renewed speculative interest and rose 14p to 312p, but Lof's shed 11p to 46p after the chairman's rather gloomy annual review.

Christies rose 3p to 73p in the hope that it might attract some of the cash originally bound for Sotheby's and City Hotels, the other new issue, ended at 77p, a premium of 17p. The new BP

partly paid shares reacted 5p to 375p, leaving them with a premium of 75p at the end of their first week of trading.

Lennox, also due to come to the market next week, closed at an unchanged 339p, but the gain over the week was 31p.

On the bid scene the ordinary shares of Beaverbrook reacted 48p to 252p with the "A" a penny firmer at 68p after the deal with Trafalgar House which lost 4p to 113p.

News that bid talks were in progress had Thames Plywood closing at 130p after an earlier suspension at 120p, while Robert Stockley was also suspended, pending an announcement.

A brokers' circular and seminar this week gave a lift to the mail order section, notably Empire Stores which attracted a good deal of support at 140p, a gain of 5p. Wm Press continued to be lowered by adverse rumours and reports that a large line of stock had just been placed.

The longer-term prospect of higher interest rates continued to weaken the property sector

where Berkeley Hambro lost 4p to 94p, Land Securities 3p to 183p and MEPC 2p to 84p. Midland, off 4p to 293p, led the clearing banks lower. Barclays gave up 3p to 275p and Lloyds ended a couple of points off at 215p.

After figures, Blackman & Conrad eased 2p to 28p, but Lennons at 35p and Whatlings 36p both held firm.

Interest in Magnet & Southern's final figures, due later this month, centres on what will happen to the dividend. As a new group there is no restraint this time around and the speculation is that the payment may be raised from 9.4p to as much as 15p gross. Profits of at least £14m are expected against a combined total of £11m last time. The shares added 2p to 145p.

British Electronic Controls gained several pence after takeover news and, after hours, most speculation centred on the allotments for the Sotheby's issue.

Equity turnover on June 30 was 563.5m, 13,792 bargains. Active stocks yesterday, according to Exchange Telegraph, were 101, BP new, Shell, BAT, Df and Ind, Rascal, P. O. Hawker Siddeley, Plessey, Midland Bank, Distillers, Wm Press, Renault, Empire Stores and Swan Hunter.

By Ray Maughan

Deals in Thames Plywood Manufacturers resumed yesterday after suspension at Charterhouse's request. Capital announced the terms of a proposed bid of around 142p per share.

It is intended that the £1.7m offer will be made on behalf of a new company, Technical Panel Holdings, to be formed for this purpose by certain directors of Thames Plywood Industries, together with Charterhouse Development Capital, and British Rail Pensions Funds, which holds a stake in Charterhouse.

The vendor is C. P.

Choularton, Sons & Partners, an unquoted investment and commercial banking operation based near Manchester. Its chairman, Mr. Cyril Choularton, also heads Thames Plywood. It may be argued that the bank is tending to go liquid since it is also recently placed its 61.1 per cent stake in Reliance Knitwear Group.

Before this projected deal goes through, however, it is conditional on Technical Panel Holdings, the new company, taking a put option on Choularton for the parts of Thames Plywood which the purchasers do not want.

Through its wholly owned subsidiary, Choularton Trust 55.1

per cent of Thames and Ashley will be required to enter into an agreement with the new company whereby Technical Panel Holdings may require Ashley to acquire from it all the business of Thames other than Technical Panel Industries for about £350,000. It is understood that this condition has already been agreed.

It had become clear that the Technical Panel Industries, manufacturing panels for heavy lorries and containers, was rapidly establishing itself as the driving force at Thames Plywood. So much so that it had outgrown its parent which was not in a position to meet its funding requirements.

Dealers have been pre-occupied with Rothmans' gearing, which will probably stand at about 200 per cent in the next balance sheet. But the group claims to hold about £40m in cash and has buttressed liquidity over the last two years.

There should be a further boost, the board anticipates, when end-product cigarette taxes replace the current duty of leaf by weight.

In the past, Sir David has expressed somewhat dim views of Britain's prospects, a view which might form a block on the road to diversification, taken by Sir Imperial Group.

He has intimated that he would not be interested in a brewery and, with the possible exception of Arthur Bell, the independent distillery groups would be too small to make much impact on Rothmans' earnings.

Talks did take place apparently with Ortel Foods last autumn.

By Alison Mitchell

The dispute between J. F. Nash Securities subsidiary Gailey Group and one of its main suppliers Ace Belmont International has had a much greater impact on profits than forecast.

Changes in distribution and franchise policy, forced on the caravan distributor as a result of the disagreement, nudged it into the red for the six months to March 31 last.

However a better than expected performance by the company's packaging division Barpak left pre-tax profits only slightly down at £141,000 against £148,000.

Turnover rose 8 per cent to £595m leaving margins 0.3 per cent narrower at 2.4 per cent.

Mr. John Nash, chairman, forecast in his annual statement that Gailey Group would pick up in the closing months of the year. But this upturn may not reach anticipated levels.

April and May caravan sales were "disappointing" according to Mr. John Tibbirk, director, and it is unlikely that the division will make up the first half loss.

But the bulk of profits traditionally come in the second six months.

The directors have altered the structure of group borrowings, covering a £2.85m overdraft into 10-year term loans.

Caravan trouble holds back J F Nash Secs

By Alison Mitchell

The dispute between J. F. Nash Securities subsidiary Gailey Group and one of its main suppliers Ace Belmont International has had a much greater impact on profits than forecast.

Changes in distribution and franchise policy, forced on the caravan distributor as a result of the disagreement, nudged it into the red for the six months to March 31 last.

However a better than expected performance by the company's packaging division Barpak left pre-tax profits only slightly down at £141,000 against £148,000.

Turnover rose 8 per cent to £595m leaving margins 0.3 per cent narrower at 2.4 per cent.

Mr. John Nash, chairman, forecast in his annual statement that Gailey Group would pick up in the closing months of the year. But this upturn may not reach anticipated levels.

Motor insurance

Good ideas from the big groups

It is easy to take the line that the larger insurance companies are eminently sound and respectable (which they are), but that all the innovations and variations are introduced by the smaller, more enterprising offices. This is not always the case, as the following examples of useful and individual motor policies show.

The General Accident is the largest motor insurer in the country—with a United Kingdom motor premium income of about £100m some years ago. It introduced a loss-of-use facility for all its comprehensive policy holders—and the idea has still not been copied.

Any comprehensive policyholder with the General Accident can hire a Godfrey Davis car for the first 24 hours after the first fortnight. If a hire car is still needed after the first fortnight, it has to be paid for by the Godfrey Davis will allow a discount.

Royal Insurance offers a separate "top-up" policy for its policyholders. In the event of the insured car being stolen or damaged beyond repair, this supplementary policy will pay an extra amount towards buying an equivalent model two years younger, to a maximum of £500 for cars up to £800 or £1,000 for cars over £800, although a reduction is applied if a young or inexperienced driver was behind the wheel.

Personal accident cover is included in the policy, and also cover of up to £100 for possessions (including car radio) stolen or lost from, or damaged in, the insured car. The cost of break-in damage to locks and windows also is covered. While of course it is true that this is duplicating some of the cover under the main policy, it does ensure that the fact that a kind of loss a claim can be made under the supplementary policy, thus leaving the main policy's no-claim discount intact.

Most motorists seem to want to do away with the no-claim discount principle, although insurers feel it would be more economic from the administrative point of view to dispense with it altogether. The Commercial Union has tried to achieve the best of both worlds for those who also have a policy covering household contents with it. For them, there is a no-claim discount system, but the Commercial Union guarantees that the discount will not be reduced after a claim. Of course, in extreme cases, the premium could be loaded for bad driving experience—although the discount would not be lost.

The Sun Alliance and London Insurance Group was one of the first offices to issue policies for motorists with good records on a net premium basis, i.e. without a no-claim discount, and more recently it has offered a special policy for the over-50s which is designed to recognise the fact that their driving experience is better than those at the younger age levels.

This policy includes "extras" such as limited cover for temporary hire of a car and emergency overnight accommodation after an accident.

UNIT TRUSTS: Growth and specialist funds (progress this year and the past three years). Unitholder index: 1987.3; rise from January 1, 1974, 100 to 187.3.

Average change offered to bid, net income included, over past 12 months: +8.0%; over 3 years: +50.1%.

Statistics supplied by Money Management and Unitholder, 30 Finsbury Square, London EC2.

GROWTH

PERMANENT G.M.

Better second half as exports aid Fertleman

Exporting is not fun and despite a recent sliding pound not necessarily as profitable as it once was at home. B. Fertleman, the modern and reproduction furniture maker, has been exporting hard and well in the year to March 31 to account for 50 per cent of turnover.

But 1976-77 pre-tax profits fell from a record £503,572 to £378,349 though sales rose from £4.3m to £4.82m.

In the first half-year profits fell by 44 per cent but over the year the company's profits were only 25 per cent and margins held up well.

Exports continue to go ahead, the directors look forward to lower taxes this autumn and a new reproduction factory is now in commission.

Renold changes mind about final payout

Commodities

[illegible][illegible][illegible]

New York, July 1.—Stock prices are lower at the New York Stock

Sold down \$1.90

[illegible]

Stopping growth of claims in Ulster for 'nervous shock'

The main purpose of the order was to improve the handling of claims by allowing compensation to be paid, if acceptable, on the Secretary of State's determination of the merits of the claim. The applicant's right to challenge any decision of the Secretary of State in the courts on appeal; to remove certain abuses or to stop their possible growth; to ensure that compensation was not paid to those who had themselves contributed to terrorism; to ensure a minimum level of compensation for those who, despite their children whose awards were affected by the necessary deduction of benefits; and generally to bring the provisions of the Criminal Injuries Compensation Act (Northern Ireland) 1968 up to date in the light of experience.

years, that they were faced with a large and growing number of nervous shock cases. During the past 12 months 42 per cent of all claims were for so-called nervous shock—4,000 out of 9,500.

He gave these further examples of nervous shock claims. A bomb exploded 200 yards from a motorist. He did not report to the police for three months or seek immediate medical help. Later he felt anxious and unable to relax.

had become a major problem and he was justified in using the term "abuse" to describe the scale on which it was now happening.

Class lists at Oxford in music and oriental studies

HONOUR MODERATIONS,
MUSIC

[illegible]

First class honours

READING
BA, Economics: Vivienne L. McKaughy, Sierra S. and Hazelrich S. Engel

[illegible]

Authorized Units, Insurance & Offshore Funds

[illegible]

